

2020 中期業績報告 Interim Report



2020 中期業績報告

Interim Report 2020



目錄	頁數	CONTENTS	PAGE
管理層討論及分析	1	Management Discussion and Analysis	27
簡要綜合收益表	55	Condensed Consolidated Income Statement	55
簡要綜合全面收益表	56	Condensed Consolidated Statement of Comprehensive Income	56
簡要綜合資產負債表	58	Condensed Consolidated Balance Sheet	58
簡要綜合權益變動表	60	Condensed Consolidated Statement of Changes in Equity	60
簡要綜合現金流量表	62	Condensed Consolidated Cash Flow Statement	62
中期財務資料附註	63	Notes to the Interim Financial Information	63
其他資料	171	Additional Information	171
獨立審閱報告	172	Independent Review Report	173
附錄－本銀行之附屬公司	174	Appendix - Subsidiaries of the Bank	174
釋義	177	Definitions	178

管理層討論及分析

綜合財務回顧

財務要點

港幣百萬元	半年結算至 2020年6月30日	半年結算至 2019年12月31日	半年結算至 2019年6月30日
提取減值準備前之淨經營收入	27,983	28,785	28,264
經營支出	(7,331)	(8,847)	(7,277)
提取減值準備前之經營溢利	20,652	19,938	20,987
提取減值準備後之經營溢利	19,309	18,714	20,196
除稅前溢利	18,816	18,421	20,913
期內溢利	15,790	15,662	17,692
本銀行股東應佔溢利	15,704	15,576	17,610

本集團2020年上半年期內溢利為港幣157.90億元，按年減少港幣19.02億元或10.8%。股東應佔溢利為港幣157.04億元，按年減少港幣19.06億元或10.8%。期內，由於宏觀經濟轉差及貸款增長，導致減值準備淨撥備按年增加。投資物業公平值調整錄得淨虧損，去年同期為淨收益。提取減值準備前之淨經營收入為港幣279.83億元，按年減少港幣2.81億元或1.0%，主要由於淨息差收窄，抵銷了平均生息資產增長的正面影響，淨利息收入有所下降。受新冠肺炎疫情及經濟下行影響，淨服務費及佣金收入減少。出售若干債務證券投資錄得較高淨收益，抵銷部分以上收入降幅。本集團持續為長遠發展投入，並採取成本管理措施，經營支出按年上升0.7%。

與2019年下半年相比，本集團提取減值準備前之淨經營收入減少港幣8.02億元或2.8%，主要因淨利息收入及銀行業務淨交易性收益減少，惟淨服務費及佣金收入及出售債務證券淨收益增加，抵銷部分以上收入降幅。經營支出回落，抵銷了減值準備淨撥備增加的影響，期內溢利較去年下半年增加港幣1.28億元或0.8%。

管理層討論及分析（續）

收益表分析

淨利息收入及淨息差

港幣百萬元，百分比除外	半年結算至 2020年6月30日	半年結算至 2019年12月31日	半年結算至 2019年6月30日
利息收入	27,217	32,504	32,034
利息支出	(10,289)	(13,561)	(13,712)
淨利息收入	16,928	18,943	18,322
平均生息資產	2,560,911	2,495,990	2,445,790
淨利差	1.19%	1.32%	1.32%
淨息差	1.33%	1.51%	1.51%
淨息差（調整後）*	1.42%	1.61%	1.61%

* 計入外匯掉期合約的資金收入或成本。

2020年上半年淨利息收入為港幣169.28億元。若計入外匯掉期合約[#]的資金收入或成本，淨利息收入按年下降7.3%，主要由於淨息差收窄，部分跌幅被平均生息資產增長所抵銷。

平均生息資產按年上升港幣1,151.21億元或4.7%。在客戶存款規模上升帶動下，客戶貸款錄得增長。

淨息差為1.33%，若計入外匯掉期合約的資金收入或成本，淨息差為1.42%，按年下降19個基點，主要由於市場利率下降，存、貸款市場競爭激烈，以及貸款重訂價期較存款短，令貸存利差收窄；此外，債券投資及其他債務工具的平均收益率下降，以及淨無息資金貢獻下降，令淨息差收窄。面對市場環境的挑戰，本集團積極主動管理資產及負債，貸款規模穩健增長，存款結構持續優化，支儲存佔比有所上升，強化存款價格管理，抵銷部分負面影響。

[#] 本集團通常使用外匯掉期合約進行流動性管理和資金配置。在外匯掉期合約下，本集團將一種貨幣（原貨幣）以即期匯率調換為另一種貨幣（掉期貨幣）（即期交易），同時承諾即期交易中的同一組貨幣在指定到期日，以預先決定的匯率轉換回來（遠期交易）。這使原貨幣的剩餘資金調換為另一種貨幣，達到流動性及資金配備的目的而匯率風險減至最低。即期及遠期合約所產生的匯兌差異（資金收入或成本）列入外匯兌換損益（屬於「淨交易性收益」），而相應的原貨幣剩餘資金及掉期貨幣的利息差異反映在淨利息收入。

管理層討論及分析 (續)

下表為各類資產及負債項目的平均餘額和平均利率：

	半年結算至 2020年6月30日		半年結算至 2019年12月31日		半年結算至 2019年6月30日	
	平均餘額 港幣百萬元	平均收益率 %	平均餘額 港幣百萬元	平均收益率 %	平均餘額 港幣百萬元	平均收益率 %
資產						
在銀行及其他金融機構之結餘及 定期存放	304,937	1.09	304,043	1.69	334,620	1.82
債券投資及其他債務工具	750,579	1.83	776,616	2.14	794,849	2.25
客戶貸款及其他	1,477,759	2.52	1,390,257	3.03	1,297,847	3.09
其他生息資產	27,636	1.09	25,074	2.43	18,474	2.80
總生息資產	2,560,911	2.13	2,495,990	2.58	2,445,790	2.64
無息資產	405,665	-	367,146	-	345,093	-
資產總額	2,966,576	1.84	2,863,136	2.25	2,790,883	2.31
負債						
銀行及其他金融機構之存款及結餘	197,058	0.77	183,832	1.14	198,499	1.22
往來、儲蓄及定期存款	1,965,712	0.94	1,893,706	1.24	1,840,470	1.29
後償負債	2,920	5.50	13,027	5.47	13,160	5.51
其他付息負債	35,719	1.37	37,566	1.68	41,753	1.82
總付息負債	2,201,409	0.94	2,128,131	1.26	2,093,882	1.32
股東資金*及其他無息存款及負債	765,167	-	735,005	-	697,001	-
負債總額	2,966,576	0.70	2,863,136	0.94	2,790,883	0.99

* 股東資金指本銀行股東應佔股本和儲備。

與2019年下半年相比，若計入外匯掉期合約的資金收入或成本，本集團淨利息收入下降10.8%。淨息差下降19個基點，主要由於貸存利差、債券投資及其他債務工具的平均收益率下降，以及淨無息資金貢獻下降。

管理層討論及分析（續）

淨服務費及佣金收入

港幣百萬元	半年結算至 2020年6月30日	半年結算至 2019年12月31日	半年結算至 2019年6月30日
證券經紀	1,567	1,020	1,093
貸款佣金	1,392	1,052	1,623
信用卡業務	928	1,346	1,639
保險	782	1,282	1,295
基金分銷	392	396	420
繳款服務	358	377	339
信託及託管服務	327	347	313
匯票佣金	278	348	352
買賣貨幣	157	276	323
保管箱	153	150	144
其他	502	595	691
服務費及佣金收入	6,836	7,189	8,232
服務費及佣金支出	(1,129)	(1,451)	(1,765)
淨服務費及佣金收入	5,707	5,738	6,467

2020年上半年，淨服務費及佣金收入為港幣57.07億元，較去年同期減少港幣7.60億元或11.8%，主要受新冠肺炎疫情及經濟下行影響，商業活動減慢，旅遊、零售及貿易等行業受到衝擊，買賣貨幣、信用卡業務及匯票的佣金收入分別下降51.4%、43.4%及21.0%。受市場投資環境及市場利率變動影響，保險及基金分銷佣金收入分別下降39.6%及6.7%。此外，貸款佣金收入亦下降14.2%。惟今年上半年股票交易活躍，帶動證券經紀佣金上升43.4%。本集團進一步加快現金管理業務拓展，資金池業務保持市場領先地位，繳款服務佣金收入增長5.6%。信託及託管資產管理規模進一步擴大，相關佣金收入亦上升4.5%。服務費及佣金支出下降，主要因信用卡業務相關支出隨業務量下降而減少。

與2019年下半年相比，淨服務費及佣金收入減少港幣0.31億元或0.5%。其中證券經紀及貸款佣金收入增加，信用卡、保險、買賣貨幣、匯票、信託及託管服務和繳款服務佣金收入則下降。服務費及佣金支出因信用卡業務相關支出下降而減少。

管理層討論及分析（續）

淨交易性收益

港幣百萬元	半年結算至	半年結算至	半年結算至
	2020年6月30日	2019年12月31日	2019年6月30日
外匯交易及外匯交易產品	2,985	3,189	2,543
利率工具及公平值對沖的項目	(971)	(45)	(485)
商品	250	240	126
股權及信貸衍生工具	59	24	57
淨交易性收益總額	2,323	3,408	2,241

2020年上半年，本集團淨交易性收益為港幣23.23億元，同比增長港幣0.82億元或3.7%，外匯交易及外匯交易產品的淨交易性收益增加港幣4.42億元，主要因外匯交易產品錄得市場劃價收益，2019年上半年為市場劃價虧損。利率工具及公平值對沖項目的淨交易性虧損較去年同期有所增加，主要由於本年市場利率變動引致若干債券投資及利率工具組合的市場劃價變化。商品淨交易性收益增加，主要源於貴金屬交易收益上升。若剔除外匯掉期合約的資金收入，淨交易性收益則按年上升10.2%。

與2019年下半年相比，淨交易性收益下跌港幣10.85億元或31.8%，主要因市場利率變動引致若干債券投資及利率工具組合的市場劃價變化。若剔除外匯掉期合約的資金收入或成本，淨交易性收益則較2019年下半年下跌44.3%。

管理層討論及分析 (續)

經營支出

港幣百萬元	半年結算至 2020年6月30日	半年結算至 2019年12月31日	半年結算至 2019年6月30日
人事費用	4,202	4,899	4,086
房產及設備支出 (不包括折舊)	540	879	642
折舊	1,499	1,450	1,373
其他經營支出	1,090	1,619	1,176
經營支出總額	7,331	8,847	7,277

	2020年6月30日	2019年12月31日	2019年6月30日
全職員工數目	14,407	14,215	13,524

經營支出總額為港幣 73.31 億元，按年增加港幣 0.54 億元或 0.7%。本集團積極管控成本，同時保障對策略性項目的資源投入，包括加快數字化銀行轉型與金融科技創新、推動區域化業務發展等，提升整體服務競爭力。成本對收入比率為 26.20%，成本效益持續保持本地銀行業較佳水平。

人事費用按年增長 2.8%，反映年度調薪及增聘員工，以及員工津貼和福利支出增加。

房屋及設備支出下降 15.9%，主要是根據香港財務報告準則第 16 號 (HKFRS 16)「租賃」，房產租賃按使用權資產核算，相關租金以使用權資產的折舊費用反映，而部分短期、低價值資產及浮動租金租賃於 2019 年上半年仍按房產租金支出反映，隨著相關租賃期完結，租金支出按年有所下降。

折舊增長 9.2%，主要是 HKFRS 16 的影響，以及房地產及資訊科技基礎設施折舊支出增加。

其他經營支出下降 7.3%，主要是廣告及業務推廣等業務支出減少。

與 2019 年下半年相比，經營支出總額減少港幣 15.16 億元或 17.1%，主要由於與業績掛鈎的酬金、廣告、業務推廣、房租和修繕等支出減少。

管理層討論及分析 (續)

貸款及其他賬項減值準備淨撥備

港幣百萬元	半年結算至	半年結算至	半年結算至
	2020年6月30日	2019年12月31日	2019年6月30日
第一階段	(831)	(425)	(276)
第二階段	(72)	9	12
第三階段	(408)	(719)	(453)
貸款及其他賬項減值準備淨撥備	(1,311)	(1,135)	(717)

2020年上半年，貸款及其他賬項減值準備淨撥備為港幣13.11億元，同比增加港幣5.94億元或82.8%。第一階段減值準備為淨撥備港幣8.31億元，同比增加港幣5.55億元，主要是新冠肺炎的爆發衝擊全球經濟，本地實質生產總值按年下跌，商業活動受到打擊，影響企業盈利能力和流動性，失業率上升亦對零售客戶的資產質量構成影響，宏觀前景不確定性持續增加，本集團審慎更新預期信用損失模型參數，以及期內貸款增長，引致撥備增加。第二階段減值準備為淨撥備港幣0.72億元，而去年同期為淨撥回港幣0.12億元，主要反映若干客戶內部評級變化的影響。第三階段減值準備淨撥備為港幣4.08億元，同比減少港幣0.45億元，主要由於去年同期若干公司客戶貸款評級下降，引致撥備基數較高。截至2020年6月30日，總貸款減值準備對客戶貸款比率為0.54%。客戶貸款的年度化信貸成本為0.18%，較去年全年上升4個基點。

與2019年下半年相比，貸款及其他賬項減值準備淨撥備增加港幣1.76億元或15.5%，主要是今年上半年貸款增長較快，以及受新冠疫情影響，宏觀前景不確定性增加，審慎更新預期信用損失模型參數，導致撥備有所增加。

管理層討論及分析（續）

資產負債分析

下表列出本集團的資產組成。有關衍生金融工具的合約／名義數額及公平值，請見中期財務資料附註 19。有關各項重要類別的或然負債及承擔之合約數額及總信貸風險加權數額，請見中期財務資料附註 34。

資產組成

港幣百萬元，百分比除外	2020年6月30日		2019年12月31日	
	餘額	佔比(%)	餘額	佔比(%)
庫存現金及在銀行及其他金融機構之結餘及定期存放	409,239	13.4	366,636	12.7
香港特別行政區政府負債證明書	175,330	5.7	163,840	5.7
證券投資及其他債務工具 ¹	782,781	25.5	785,997	27.3
貸款及其他賬項	1,509,660	49.2	1,412,501	49.1
固定資產及投資物業	69,669	2.3	71,601	2.6
其他資產 ²	119,035	3.9	73,979	2.6
資產總額	3,065,714	100.0	2,874,554	100.0

1. 證券投資及其他債務工具包括證券投資及以公平值變化計入損益之金融資產。

2. 其他資產包括衍生金融工具、聯營公司及合資企業權益、應收稅項資產及遞延稅項資產。

截至2020年6月30日，本集團資產總額達港幣30,657.14億元，較上年末增長港幣1,911.60億元或6.7%。庫存現金及在銀行及其他金融機構之結餘及定期存放增加港幣426.03億元或11.6%，主要由於存放於中央銀行之結餘增長；貸款及其他賬項增長港幣971.59億元或6.9%，其中客戶貸款增長港幣1,076.25億元或7.7%，貿易票據則減少港幣74.60億元或36.0%。其他資產增加港幣450.56億元或60.9%，主要由於結算相關應收賬增長。

管理層討論及分析 (續)

客戶貸款

港幣百萬元，百分比除外	2020年6月30日		2019年12月31日	
	餘額	佔比 (%)	餘額	佔比 (%)
在香港使用之貸款	992,443	66.0	924,274	66.3
工商金融業	566,860	37.7	516,606	37.1
個人	425,583	28.3	407,668	29.2
貿易融資	82,074	5.5	75,764	5.4
在香港以外使用之貸款	428,531	28.5	395,385	28.3
客戶貸款總額	1,503,048	100.0	1,395,423	100.0

2020年上半年，本集團圍繞香港本地及海外大型客戶的綜合金融服務需求，持續加強本地工商客戶服務，支持優質客戶的貸款需求，加快按揭業務流程電子化改造。同時，穩健推進東南亞區域業務發展，積極營銷和拓展「一帶一路」重點客戶群和相關大型項目，充分發揮中銀香港作為中國銀行亞太銀團貸款中心的作用。期內，保持港澳地區銀團貸款市場最大安排行地位，香港私人住宅新造按揭市場第一。2020年上半年，客戶貸款增長港幣1,076.25億元或7.7%至港幣15,030.48億元。

在香港使用之貸款上升港幣681.69億元或7.4%。

- 工商金融業貸款增長港幣502.54億元或9.7%，增長源自製造業、物業投資、運輸及運輸設備和新股融資貸款。
- 個人貸款上升港幣179.15億元或4.4%，住宅按揭貸款（不包括政府資助置屋計劃下的按揭貸款）增長4.1%。其他個人貸款則增長7.7%，主要由用作投資用途的個人貸款及物業加按揭貸款增長帶動。

貿易融資上升港幣63.10億元或8.3%。在香港以外使用之貸款增加港幣331.46億元或8.4%，主要是投放內地及東南亞地區客戶貸款增長所致。

管理層討論及分析 (續)

貸款質量

港幣百萬元，百分比除外	2020年6月30日	2019年12月31日
客戶貸款	1,503,048	1,395,423
特定分類或減值貸款比率	0.25%	0.23%
總減值準備	8,056	7,035
總減值準備佔客戶貸款之比率	0.54%	0.50%
住宅按揭貸款 ¹ — 拖欠及經重組貸款比率 ²	0.02%	0.01%
信用卡貸款 — 拖欠比率 ²	0.34%	0.27%
	半年結算至 2020年6月30日	半年結算至 2019年6月30日
信用卡貸款 — 撇賬比率 ³	1.88%	1.35%

1. 住宅按揭貸款不包括「居者有其屋」計劃及其他政府資助置屋計劃下的按揭貸款。

2. 拖欠比率指逾期超過3個月之貸款佔貸款總餘額的比率。

3. 撇賬比率為期內撇賬總額對期內平均信用卡應收款的比率。

期內，面對複雜嚴峻的外部環境，本集團積極夯實各項風險管理基礎，持續提升區域風險管控水平，整體資產質量保持良好。截至2020年6月30日，特定分類或減值貸款比率為0.25%，較上年末上升0.02個百分點；特定分類或減值之客戶貸款餘額為港幣38.17億元，較上年末增加港幣6.00億元。

本集團住宅按揭貸款質量維持穩健，截至2020年6月30日，住宅按揭貸款拖欠及經重組貸款比率為0.02%。2020年上半年，信用卡貸款撇賬比率為1.88%，按年上升0.53個百分點。

管理層討論及分析（續）

客戶存款

港幣百萬元，百分比除外	2020年6月30日		2019年12月31日	
	餘額	佔比 (%)	餘額	佔比 (%)
即期存款及往來存款	299,330	13.9	209,474	10.4
儲蓄存款	996,732	46.4	900,631	44.7
定期、短期及通知存款	851,792	39.7	903,987	44.9
客戶存款總額	2,147,854	100.0	2,014,092	100.0

2020年上半年，本集團積極強化中高端客戶基礎，透過發薪戶口服務、電子支付及收款項目加強與政府機構、大型企業、主要央行、國際金融組織及主權基金的業務往來，積極拓展新股上市收款行、現金管理及資金池業務，帶動個人及公司支儲存款均錄得穩健增長。截至2020年6月30日，客戶存款總額達港幣21,478.54億元，較去年末增加港幣1,337.62億元或6.6%。其中即期及往來存款增長42.9%，部分由認購新股的資金帶動，調整相關影響後則增長27.8%，儲蓄存款上升10.7%，定期、短期及通知存款則下降5.8%。支儲存款佔比為60.3%。

本銀行股東應佔股本和儲備

港幣百萬元	2020年6月30日	2019年12月31日
股本	43,043	43,043
房產重估儲備	39,076	39,505
公平值變動儲備	3,581	2,336
自身信貸風險儲備	-	(33)
監管儲備	5,667	11,077
換算儲備	(901)	(581)
留存盈利	183,918	163,525
儲備	231,341	215,829
本銀行股東應佔股本和儲備總額	274,384	258,872

截至2020年6月30日，本銀行股東應佔股本和儲備總額為港幣2,743.84億元，較上年末增加港幣155.12億元或6.0%。房產重估儲備下降1.1%，主要反映2020年上半年房產價格有所下降。公平值變動儲備增加，主要是市場利率變動影響。監管儲備下降48.8%，主要由於香港金管局放寬監管儲備要求，相應增加留存盈利。留存盈利較上年末增長12.5%，主要反映2020年上半年的盈利，以及監管儲備撥回。

管理層討論及分析 (續)

資本比率

港幣百萬元，百分比除外	2020年6月30日	2019年12月31日
扣減後的綜合資本		
普通股權一級資本	216,560	195,039
額外一級資本	23,476	23,476
一級資本	240,036	218,515
二級資本	30,222	32,855
總資本	270,258	251,370
風險加權資產總額	1,169,600	1,098,018
普通股權一級資本比率	18.52%	17.76%
一級資本比率	20.52%	19.90%
總資本比率	23.11%	22.89%

截至2020年6月30日，普通股權一級資本及一級資本分別增長11.0%及9.8%，主要源於2020年上半年溢利，以及因香港金管局放寬監管儲備要求所致。總資本增長7.5%，期內作為二級資本票據之後償負債到期贖回，令總資本增長有所收窄。本集團一直致力於平衡風險加權資產的增幅及風險回報的提升，風險加權資產增長6.5%，主要由客戶貸款增長帶動。普通股權一級資本比率及一級資本比率分別為18.52%及20.52%，較2019年末分別上升0.76個百分點及0.62個百分點。總資本比率為23.11%，較上年末上升0.22個百分點。本集團持續檢討資本結構，管控風險加權資產增長，保持合理的資本水平，確保業務可持續發展及綜合平衡股東回報。

流動性覆蓋比率及穩定資金淨額比率

	2020年	2019年
流動性覆蓋比率的平均值		
第一季度	150.45%	183.00%
第二季度	131.38%	156.57%
第三季度	不適用	142.85%
第四季度	不適用	146.53%
穩定資金淨額比率的季度終結值		
第一季度	116.60%	121.36%
第二季度	117.49%	119.15%
第三季度	不適用	116.47%
第四季度	不適用	118.00%

本集團流動性保持穩健。2020年首2個季度的流動性覆蓋比率平均值及穩定資金淨額比率的季度終結值均高於有關監管要求。

管理層討論及分析（續）

業務回顧

2020年上半年，面對複雜嚴峻的經營環境，本集團緊緊圍繞「建設一流的全功能國際化區域性銀行」戰略目標，積極應對市場環境變化，扎實推進各項重點工作。堅持以客戶為中心，持續深耕香港本地市場，全力支持實體經濟發展。疫情期間，率先推出抗疫防疫金融支持和紓困措施，並且嚴密防範各類風險。主動融入粵港澳大灣區建設，推動跨境協同聯動，建立一體化競爭優勢。完善東南亞網絡佈局，提升區域協同服務能力。加快數字化銀行轉型，提升科技創新、基建及應用能力。深入推進銀行文化建設，確保穩健、均衡、可持續發展。

業務分類的表現

業務分類的除稅前溢利

港幣百萬元，百分比除外	半年結算至 2020 年 6 月 30 日		半年結算至 2019 年 6 月 30 日	
	金額	佔比 (%)	金額	佔比 (%)
個人銀行	4,352	23.1	6,454	30.8
企業銀行	7,158	38.1	8,065	38.6
財資業務	7,169	38.1	5,036	24.1
其他	137	0.7	1,358	6.5
除稅前溢利總額	18,816	100.0	20,913	100.0

註：詳細分類資料請見中期財務資料附註37。

個人銀行

財務業績

2020年上半年，個人銀行除稅前溢利為港幣 43.52 億元，按年減少港幣 21.02 億元或 32.6%，主要由於淨利息收入和淨服務費及佣金收入下降導致淨經營收入下降，以及提取減值準備淨撥備增加。

淨利息收入下降 16.5%，主要因市場利率下跌，以及市場競爭激烈，導致存款利差收窄。淨服務費及佣金收入下降 7.8%，主要是保險及信用卡業務佣金收入下降，但本年股票交易活躍，帶動證券經紀佣金上升，抵銷部分負面影響。減值準備淨撥備為港幣 6.30 億元，按年增加港幣 5.42 億元，主要因宏觀前景不確定性增加引致撥備上升。

管理層討論及分析（續）

業務經營情況

全力投入抗疫扶助，支持民生金融

率先推出多項金融支援和紓困措施，包括按揭貸款延期還本、延長到期保費寬限期及增加額外保障等民生紓困系列措施，為受疫情影響的個人客戶提供多方面的支持，與客戶共渡難關。全力配合落實特區政府港幣 1 萬元「現金發放計劃」，提供手機／網上銀行及全港各區 169 間分行予市民進行登記，為該計劃下唯一提供支票兌付服務的銀行，便利市民更便捷申領款項。為保障市民的金融服務需求，疫情期間最大限度提供分行對外服務，同時延長經電子渠道開戶和辦理部分交易的服務時間、豐富電子渠道服務內容，包括推出「遙距投保」申請合資格延期年金計劃及自願醫保、拓寬電子渠道投保產品種類、豐富線上投資產品種類。

發揮線上線下優勢，優化客層服務

因應客戶需求調整服務渠道策略，在全線分行（不包括銀行服務中心、保管箱中心）設立 eZone 電子體驗區，創新客戶體驗，按客所需提供合適、貼心的線上線下服務。同時，著力以專隊服務、專屬產品和專享體驗，為中高端品牌客戶提供尊貴服務。截至 2020 年 6 月末，個人客戶基礎進一步擴大，其中，中高端客戶數較上年末保持雙位數增長。不斷豐富及整合數據資源，並持續強化大數據人工智能建模，根據客戶需求偏好與行為習慣，為客戶配置合適產品及配套服務。通過深耕本地客層，核心產品優勢得到鞏固，存款規模穩步增長，新造按揭累計筆數保持市場第一，各主要投資產品線上渠道交易金額按年大幅增長。期內，中銀香港獲新城財經台頒發「2020 年香港企業領袖品牌」之「卓越銀行按揭服務品牌」及「卓越銀行證券服務品牌」，並獲《彭博商業周刊》頒發「金融機構大獎 2020：年度銀行保險公司 - 傑出大獎」，以及《亞洲銀行家》頒發「國際卓越零售金融服務獎項計劃 2020」之「最佳大數據/AI 應用大獎」，本集團個人銀行業務的表現獲得業界充分肯定。

本集團私人銀行業務發展保持穩定增長。透過與集團內各個單位緊密聯動，完善對高端客戶的服務鏈，並積極配合綠色金融及環境、社會、治理的發展，加深加闊私人銀行產品系列，為高端客戶及家族辦公室提供專業私人銀行服務。此外，持續推動數字化發展、優化私人銀行客制化系統、豐富專屬產品種類及加強專才隊伍建設，提升私人銀行服務水平。期內客戶數目持續增長。截至 2020 年 6 月 30 日，私人銀行管理資產總值較去年末上升 4.6%。

管理層討論及分析（續）

推進產品場景應用，加速線上遷移

本集團密切留意疫情下市場環境變化，加速數字化銀行發展。貼合客戶線上交易需求快速增長趨勢，推行移動優先策略，優化個人手機銀行開戶服務、豐富手機銀行投資功能、加快按揭業務流程電子化改造、加推電子渠道服務優惠，提升產品功能及競爭力。2020年上半年，手機銀行交易筆數按年大幅上升六成以上，線上按揭月均申請筆數較去年全年月均增長近一倍。善用開放應用程式介面（API）拓展跨平台合作，已推出開發者網站及逾 90 項開放 API；積極配合香港金管局第二階段開放 API 發展，加強與第三方服務供應商合作，與網上地產代理平台、財經應用程式、產品比較網站及綜合服務平台廣泛合作，拓展跨平台置業規劃、股票及外匯投資買賣、線上貸款申請等服務，豐富產品場景化應用。

促進灣區互聯互通，提升跨境體驗

積極響應粵港澳大灣區金融政策，圍繞三地居民便捷開戶、交通出行、安居置業等場景提供民生金融服務。2020年上半年，重點優化大灣區「開戶易」產品，推出移動終端申請電子化及於手機銀行增加常設匯款指示功能，不斷優化本港居民的跨境服務體驗。持續豐富 BoC Pay 在大灣區的使用場景，推出適用於居港內地人士的跨境匯款功能，便利客戶在大灣區支付消費。響應港人在大灣區置業需求，推出大灣區「置業易」按揭服務，優化客戶看房、簽約、支付、按揭等全流程服務體驗。

豐富區域產品服務，夯實展業基礎

持續加強區域業務聯動，優化區域服務對接，擴展海外見證開戶，包括中銀香港見證開立中銀馬來西亞戶口，胡志明市分行及文萊分行見證開立中銀香港戶口。豐富區域理財服務，中銀馬來西亞推出多隻新基金及新債券。加快推進東南亞數字化發展，區域移動支付項目取得階段性進展，中銀馬來西亞參與並持續優化當地支付系統 DuitNow 即時轉賬服務；雅加達分行借記卡實現境內自動櫃員機即時跨行轉賬功能；馬尼拉分行上線電子渠道外幣兌換功能。貼合個人客戶於東南亞地區留學、工作、旅遊及置業等需求，於中銀香港網頁推出東南亞個人金融服務專區。有序推進區域產品規範化管理，提升內部管理效率及風控能力，逐步投產綜合開戶平台、貸款審批等系統。

管理層討論及分析（續）

企業銀行

財務業績

企業銀行除稅前溢利為港幣 71.58 億元，按年減少港幣 9.07 億元或 11.2%，主要是淨利息收入和淨服務費及佣金收入下跌，導致淨經營收入下降，部分被提取減值準備淨撥備減少抵銷。

淨利息收入下降 9.9%，主要受市場競爭影響，存款及貸款利差收窄，部分被存款及貸款平均餘額增長抵銷。淨服務費及佣金收入下降 12.8%，主要是貸款佣金及匯票佣金收入下跌。減值準備淨撥備為港幣 5.61 億元，按年下降港幣 1.14 億元。

業務經營情況

主動應對環境變化，穩步推動企業業務

本集團堅持以客戶為中心，以圍繞客戶需求、聚焦綜合服務、提升客戶體驗為目標，持續推進業務深化轉型。面對新冠肺炎疫情影響，主動應對環境變化，積極開拓業務，持續增強區域化及綜合化服務能力。期內，集團持續加強對本港及東南亞重點項目支持，繼續保持港澳地區銀團貸款市場排名第一，完成多筆具市場影響力的債券承銷項目，積極拓展綠色金融業務，推動可持續發展。按主板上市項目數量計算，本集團擔任新股上市主收款行業務維持市場最大份額。不斷深化與全球主要央行、國際金融組織及主權基金的業務往來。進一步推進數字化轉型和場景化應用，強化與客戶的電子支付及收款項目合作，為市民提供衣、食、住、用、行等多方面便捷支付渠道。

積極承擔社會責任，與中小企客戶共渡時艱

本集團持續加強本地工商客戶服務，通過數字化、線上化等綜合金融服務，進一步提升對本地工商客戶的服務水平。積極支援中小企應對疫情，率先推出抗疫防疫五項金融服務支持措施，包括推出特快審批的「中小企抗疫專項貸款計劃」及提供物業按揭貸款延期還本安排等；積極配合香港按揭保險有限公司推出「中小企融資擔保計劃」項下「百分百擔保特惠貸款」計劃，協助受疫情影響的企業快速獲得營運資金。同時全力支持香港金管局聯同「銀行業中小企貸款協調機制」推出「預先批核還息不還本」計劃，主動向合資格企業客戶提供貸款延期安排，紓緩企業面對的現金流壓力。

管理層討論及分析（續）

加強東南亞及大灣區重點客戶拓展，充分發揮協同優勢

持續推進區域化建設，協同各東南亞機構在風險可控的前提下，保持業務增長動力。以重點客戶和重大項目為突破口，加強一體化營銷，帶動東南亞機構協同發展。本集團發揮一體化優勢，加強區域聯動，積極營銷和拓展「一帶一路」重點客戶群和相關大型項目，包括路橋基建、通訊設備、石油能源等。進一步發揮中銀香港作為中國銀行亞太銀團貸款中心的作用，為東南亞當地大型企業籌組銀團貸款，鞏固主流客戶關係。發揮區域合作功能，針對現金管理等複雜項目採取方案設計、營銷及落地的一體化專業化安排。為進一步拓展粵港澳大灣區業務，持續深化與中國銀行在大灣區內機構的緊密合作，加強跨境業務聯動，共同挖掘重點行業及客戶的金融需求，加大對科創企業發展的支持，為大灣區金融互聯互通貢獻力量。

增強產品服務競爭力，全力提升客戶體驗

本集團持續完善在本港、大灣區及東南亞區域的綜合服務能力。提升企業客戶產品及服務水平，進一步加快現金管理、貿易金融、財資中心等重點業務的拓展，保持資金池業務領先地位。促進產品多元化發展和金融科技創新，持續豐富各類數字化產品及服務，優化線上化服務平台功能，提升客戶體驗。憑藉卓越的專業實力，中銀香港與一家流動網絡商合作的全球資金集中管理項目榮獲《企業財資人》頒發「企業財資人年度獎項－亞洲最佳財資策略」。

託管及信託業務持續發展

把握國家互聯互通政策、企業「走出去」及大灣區發展的機遇，應對市場挑戰，機構及企業客戶的託管資產總量於2020年6月再創新高，「債券通」總客戶數量亦維持全球排行前列位置，並獲債券通有限公司邀請成為首批行業智囊成員。同時，進一步深化與中資投資企業客群合作，增強與境內銀行在海外託管方面的業務關係。積極提升企業信託及代理服務能力，取得良好的市場反應。2020年6月末，本集團整體託管資產總值逾港幣12,261億元。

2020年上半年，中銀國際英國保誠信託有限公司（「中銀保誠信託」）的強積金業務保持穩步發展，穩居強積金市場首5位。2020年上半年，除強積金業務外，中銀保誠信託不斷開拓多元化收入來源，取得了多項新的員工股份獎勵計劃業務，並被任命為計劃受託人。此外，已順利開創各大社交媒體平台，擴大移動端效應，改善客戶體驗。

管理層討論及分析（續）

財資業務

財務業績

財資業務除稅前溢利為港幣71.69億元，按年增長港幣21.33億元或42.4%，主要由淨利息收入及其他金融資產之淨收益增長帶動，抵銷了淨服務費及佣金收入和淨交易性收益減少的影响。

淨利息收入增長15.4%，主要由於資金成本下降帶動。淨交易性收益下降，主要因若干債券投資及利率工具組合受市場利率變動引致市場劃價變化，部分變化被外匯交易產品的市場劃價變化，以及期內出售若干債務證券令其他金融資產之淨收益上升所抵銷。

業務經營情況

持續提升財資業務服務能力，穩步推進區域業務發展

本集團不斷加強市場研究，密切關注市場變化，積極捕捉業務機會，持續提升客戶服務能力，代客業務取得良好發展。發揮專業能力和渠道優勢，創新業務模式，貴金屬交易業務表現良好。不斷加強基礎建設，積極應對疫情影響，穩步提升線上業務能力和業務規模。持續完善合規內控管理，各項業務穩健發展。期內，良好表現獲上海黃金交易所頒發2019年度「優秀國際會員」獎及「疫情期間市場穩定特殊貢獻獎」。

持續加強區域金融市場交易、營銷、產品和風控能力，結合各東南亞機構當地市場和客戶需求，制定業務發展指導意見，進一步提升金融市場區域一體化專業服務水平及客戶產品服務能力。期內，雅加達分行和馬尼拉分行分別為客戶完成美元兌印尼盾及美元兌人民幣大額兌換交易，中銀泰國及中銀馬來西亞實現了交叉貨幣及利率掉期產品新業務突破，金邊分行獲中國人民銀行批准成為區域市場人民幣兌瑞爾首家境外報價行及中國外匯交易中心會員，並成功為客戶做境內外首筆人民幣兌瑞爾直接盤交易。

把握人民幣清算服務優勢，推動跨境業務向縱深發展

為支援中國內地對抗新冠肺炎疫情的防控工作，中銀香港作為香港人民幣清算行於2020年內地春節假期期間，啟動人民幣跨境支付系統（CIPS）的特殊綠色通道，為中國內地與離岸市場的慈善捐款及防疫物資採購匯款提供跨境人民幣清算服務，便利資金及時到賬。此外，中銀香港以香港人民幣清算行身份於2020年4月正式加入SWIFT組織的全球支付創新項目，進一步提升跨境人民幣匯款的透明度及客戶體驗。2020年上半年，中銀馬來西亞連獲馬來西亞人民幣業務清算行和當地人民幣結算行資格，分別榮獲當地商會2019年「優秀會員」及「媒體之星」稱號。

緊抓市場機遇，堅持積極主動和審慎的投資策略

應對市場波動情況，本集團繼續審慎管理銀行投資盤，密切關注市場變化，提早部署並主動尋找投資機會提升回報，同時對風險保持高度警覺。上半年，本集團強化過程管理和精細化管理，平衡資產負債規模增長和結構優化，積極應對市場利率變化。

管理層討論及分析（續）

區域性業務

本集團緊緊圍繞「建設一流的全功能國際化區域性銀行」的戰略目標，審慎應對新冠肺炎疫情及經濟下行影響，繼續堅持區域一體化發展方向，採取有效措施大力支持東南亞機構逐步發展成為當地主流外資銀行。2020年上半年，新冠疫情在東南亞區域蔓延，區內各國經濟均出現下行趨勢。本集團各東南亞機構在新形勢下面臨各種挑戰和風險。儘管如此，區域業務仍不乏機遇，隨著《區域全面經濟夥伴關係協定》的簽署，區域內貿易往來將更加頻繁；香港與東盟《自由貿易協定》的簽訂及生效，有利於促進雙方全面緊密合作以及共同推進「一帶一路」建設；東南亞各國紛紛推進數字化轉型，給東南亞區域帶來全新發展潛力；東南亞區域的居民消費及基建投資活動仍具有巨大增長潛力。

完善區域網絡佈局，深化區域一體化發展

本集團持續完善區域網絡佈局，於2020年4月9日獲得緬甸央行批准設立緬甸仰光分行，業務範圍將進一步擴展至東南亞9個國家，區域化發展邁上新的台階。2020年3月1日，雅加達分行獲得印度尼西亞監管機構批准提升為當地商業銀行三級銀行，顯著提升本集團在當地的市場地位和品牌影響力，為成為印度尼西亞主流外資銀行打下堅實基礎。本集團積極探索和實踐區域管理模式，不斷優化區域機構管理，有效提升各東南亞機構在客戶營銷、產品創新、科技應用、營運管理、人員管理等方面的能力和水平。

2020年上半年，本集團東南亞機構*提取減值準備前之淨經營收入為港幣13.04億元，按年下跌6.1%。截至2020年6月末，客戶存款餘額為港幣603.80億元，客戶貸款餘額為港幣533.98億元，分別較上年末增長6.7%和6.0%；不良貸款比率為1.94%，較2019年末上升0.43個百分點。

*指中銀泰國、中銀馬來西亞、胡志明市分行、馬尼拉分行、雅加達分行、金邊分行、萬象分行及文萊分行等8家東南亞機構，所示提取減值準備前之淨經營收入、客戶存款餘額等數據為8家機構的合併數據，數據按照香港財務報告準則編製。不良貸款比率按照當地監管要求統計。

嚴守風險底線，全面提高區域風險管控水平

本集團紮實推進區域化風險管理建設，不斷強化東南亞機構信貸風險管理能力，提升東南亞機構的市場、利率及流動資金風險管理水平，積極應對東南亞區域疫情影響。持續提升東南亞機構的法律合規和操作風險管理能力，穩步加強東南亞機構外判服務管理力度。做實東南亞區域的防洗錢工作，持續提高防洗錢管理水平。密切監控東南亞區域的重大突發事件，提升敏捷反應和應對管理能力，統籌抓好東南亞機構持續業務運作管理，確保守住風險底線。

管理層討論及分析（續）

數字化發展

本集團深化創新金融科技應用，加快數字化轉型進程，進一步推動業務流程數字化，提高營運效率。按照集團制訂的「中銀香港數字化轉型」藍圖和新一輪IT三年規劃，由頂層設計推動數字化銀行建設，打造創新、敏捷、數據、移動、區域化等五項數字化關鍵能力，構建智能平台、數據平台、開放平台等三大驅動平台，提供穩定、可靠、統一的雲技術及安全管治基礎。與此同時，構建創新機制、組織架構及企業文化，積極引進和培養科技創新人才，作為數字化轉型的支撐點。本集團以科技驅動業務變革，提供嶄新的客戶服務、金融產品、服務流程、運營管理、風險控制等數字化方案，逐步推進打造成為業務生態化、流程數字化、運作智能化、項目敏捷化及系統雲端化的數字化銀行。

業務生態化

積極加深場景化應用、加快融入客戶生態圈。跨界合作助力金融科技發展，共推出逾 90 項開放 API。2020 年 2 月份聯手龍頭地產代理推出線上即時 API 估價服務，截至 6 月底客戶累計使用逾 100 萬次。與兩家股票報價平台合作，為客戶提供跨平台手機證券買賣服務，支援港股、美股及 A 股。圍繞衣食住行需求，BoC Bill 提供最全面包含傳統銀行卡、二維碼、八達通的綜合收款服務，基本覆蓋民生各行業，包括中小企，結合 BoC Pay 為客戶打造民生支付場景，助商戶及個人客戶實現無現金、零接觸的電子支付服務。BoC Pay 客戶數較去年末增長 44.2%，消費交易量較去年同期亦錄得良好增長。BoC Pay 持續優化，推出小額跨境轉賬功能，即時到賬，豐富在大灣區的應用場景。

流程數字化

貼合客戶線上交易需求快速增長趨勢，推行移動優先策略，延伸「手機開戶」功能至全新客戶，大幅縮短客戶基礎業務辦理時間。運用區塊鏈技術優化物業估價流程，截至 2020 年 6 月末，覆蓋近 95%物業估價報告，較去年末上升 13 個百分點。本集團不斷優化數字化服務流程，持續推動環球交易銀行平台功能提升與市場推廣，並加快在東南亞地區進行延伸，提升區域線上化服務能力。積極推動香港創新貿易融資平台「貿易聯動」與中國人民銀行貿易金融平台對接，提升貿易金融數字化能力，實現跨境業務訊息高效互聯互通。中後台單位擴展機械人流程自動化應用，操作工序自動化，縮減流程處理時間，釋放員工生產力。

管理層討論及分析（續）

運作智能化

引入身份證件驗證技術，持續優化人臉識別與文字辨識技術，提升遙距開戶的效率及準確度，為香港及東南亞地區的服務建設了良好的基建平台。持續優化核心銀行服務，支持中小企全電子化開戶申請服務，提升開戶效率及客戶體驗。按揭業務使用數據分析，對個人住宅按揭申請採用系統自動審批流程，提升審批效率。加快智能客服建設，著力以「智能助理」和「在線客服」代替人工客服。構建全行性智能反欺詐平台，提升欺詐個案識別和反應能力，全面強化防欺詐風險管理。應對疫情，推出移動辦公方案，支持員工在家辦公。

項目敏捷化

深化敏捷工作模式及文化，以敏捷模式推動項目，並持續以客戶為中心優化業務流程設計。建立敏捷創新的機制，確保數字化轉型變革有序落地及快速見效。為支持數字化及敏捷轉型，制定敏捷團隊的建設及組成方案，進一步促進跨部門敏捷團隊的組織與運作。加大科技創新人才的引進力度，拓寬招聘渠道，吸引具有大數據、人工智能、金融科技、數字化營銷、量化交易等方面的人才。持續推進金融科技人才培育，建設創新科技學院。因應數字化轉型需求，將「鼓勵創新思維，打造反應迅速、協同高效的敏捷文化」列為 2020 年企業文化建設重點工作。

系統雲端化

引入業界主流的雲技術，配合虛擬化技術，建設雲計算平台。逐步在軟件開發領域建立雲服務模式，提高系統的靈活性及擴展性，並會逐步在雲計算平台上部署面向客戶的應用系統，提升服務效率，降低營運成本。

管理層討論及分析（續）

風險管理

總覽

本集團深信良好的風險管理是企業成功的重要元素。在日常經營中，本集團高度重視風險管理，並強調風險控制與業務發展之間必須取得平衡。本集團業務的主要內在風險包括信貸風險、市場風險、利率風險、流動資金風險、操作風險、信譽風險、法律及合規風險及策略風險。本集團的風險管理目標是在提高股東價值的同時，確保風險控制在可接受的水平之內。本集團設有經董事會審批的風險偏好陳述，表達本集團在風險可控的前提下所願意承擔的風險類型與程度，以實現業務發展目標和達到利益相關者的期望。

風險管理管治架構

本集團風險管理管治架構覆蓋業務發展的全部過程，以保證在業務經營中的各類風險都能得到有效管理及控制。本集團擁有完善的風險管理架構，並有一套全面的風險管理政策及程序，用以識別、量度、監察及控制可能出現的各類風險。本集團亦定期重檢及更新風險管理政策及程序，以配合市場及業務策略的轉變。不同層面的風險承擔者分別負責與其相關的風險管理責任。

董事會代表著股東的利益，是本集團風險管理的最高決策機構，並對風險管理負最終責任。董事會在其屬下委員會的協助下，負責確定本集團的風險管理策略、風險偏好和風險文化，並確保本集團具備有效的風險管理系統以落實執行有關策略。

風險委員會是董事會成立的常設委員會，負責監察本集團的各類風險；審批第一層風險管理政策，並監督其執行；審批重大的或高風險的風險承擔或交易。審計委員會協助董事會履行內部監控系統的監控職責。

總裁負責管理本集團各類風險，在董事會授權範圍內審批重大風險承擔或交易。副總裁負責協助總裁履行日常管理各類風險的職責，在總裁授權範圍內審批重大風險承擔或交易。分管法律合規、操作風險和防洗錢副總裁和風險總監一起協助總裁履行日常管理各類風險以及內控的職責。風險總監負責提出新的風險管理策略、項目和措施以配合監管要求的變化，從而更好地監察及管理新業務、產品及營運環境轉變而引致的風險。風險總監還在授權範圍內負責審核重大風險承擔或交易。各高層管理人員在董事會批准的風險管理政策分層原則下，亦需負責審批其主管業務範圍的風險管理辦法。

本集團的不同單位都有其相應的風險管理責任。業務單位是風險管理的第一道防線，而風險管理單位則獨立於業務單位，負責各類風險的日常管理，以及草擬、檢查和更新各類風險管理政策和程序。

本集團的主要附屬銀行亦採用與本集團一致的風險管理政策。中銀香港風險管理單位按照各自分工，監督附屬公司的相關風險管理情況。

信貸風險管理

信貸風險指因客戶或交易對手未能或不願意履行償債責任而造成損失的風險。本集團的交易賬和銀行賬、以及資產負債表內和表外之交易均存在這種風險。信貸風險主要來自借貸、貿易融資及資金業務。信貸風險總監負責主持各類信貸風險管理工作，直接向風險總監匯報，並在與本集團制定的信貸風險管理原則及要求相一致前提下管控附屬機構的信貸風險承擔。

對於貸款，不同客戶、交易對手或交易會根據其風險程度採用不同的信貸審批及監控程序。信貸評審委員會由信貸和其他業務專家組成，負責對副總裁級或以上人員審批的重大信貸申請進行獨立評審。非零售風險承擔信貸申請由風險管理單位進行獨立審核、客觀評估，並確定債務人評級（按照違約概率程度）和授信等級（按照違約損失率程度）以支持信貸審批；零售信貸交易包括零售風險承擔下的小企業貸款、住宅按揭貸款、私人貸款及信用卡等利用零售內部評級系統進行信貸風險評估。本集團會應用貸款分類級別、債務人評級、授信等級和損失預測結果（如適用）於支持信貸審批。

本集團亦會應用貸款分類級別、債務人評級和損失預測結果（如適用）於支持信貸監控、信貸風險報告及分析。對於非零售風險承擔，本集團會對較高風險的客戶採取更頻密的評級重檢及更密切的監控；對於零售風險承擔則會在組合層面應用每月更新的內部評級及損失預測結果進行監察，對識別為高風險組別客戶，會進行更全面檢討。本集團參照金管局貸款分類制度的指引，實施信貸資產的五級分類。風險管理部定期提供信貸風險管理報告，並按管理委員會、風險委員會及董事會的特別要求，提供專題報告，以供其持續監控信貸風險。同時，本集團也會按照行業、地區、客戶或交易對手等維度識別信貸風險集中度，並監察每一交易對手信貸風險、信貸資產組合質素、信貸風險集中度的變化，定期向本集團管理層匯報。

本集團使用的內部評級總尺度表能與標準普爾(Standard & Poor's)外部信用評級相對應。該內部評級總尺度表結構符合香港《銀行業條例》項下《銀行業（資本）規則》的要求。

管理層討論及分析 (續)

對於債務證券及證券化資產的投資，本集團會應用債務人評級或外部信用評級、通過評估證券相關資產的質素及設定客戶及證券發行人信貸限額，以管理債務證券及證券化資產投資的信貸風險；對於衍生產品，本集團會採用客戶限額及採用與貸款一致的審批及監控程序管理信貸風險，並制定持續監控及止損程序。

對於減值評估，根據香港財務報告準則第9號引入減值模型，其要求在確認金融工具的預期信用損失(ECL)時需按攤餘成本計量及以公平值變化計入其他全面收益。在香港財務報告準則第9號下，預期信用損失分類為三個階段進行評估，而金融資產和貸款承諾需在三個階段中歸類為其中一個階段。

第一階段：如果金融工具不是在初始日起為信貸減值資產，以及在初始確認後沒有出現信用風險顯著增加的情況，減值準備為12個月內的預期信用損失；

第二階段：如果金融工具不是在初始日起為信貸減值資產，但在初始確認後出現信用風險顯著增加的情況，減值準備為整個存續期的預期信用損失；

第三階段：如果金融工具為信貸減值資產，且未來現金流量已受到一項或多項事件的不良影響，減值準備為整個存續期的預期信用損失。

本集團已建立重大信用風險惡化條件框架來判斷各金融工具的所屬階段，此框架包括定量及定性的評估，考慮因素例如逾期天數、內部評級變化及監察名單等。

本集團利用巴塞爾資本協定二的內部評級(IRB)模型及其他可行和可用內部模型的參數來評估預期信用損失。對於沒有模型的組合，本集團則使用所有合理及有證據支持的資料，例如歷史資料、相關損失經驗或替代方法。而預期信用損失的計量是金融工具違約概率(PD)、違約損失率(LGD)和違約風險承擔(EAD)於報告日以實際利率折現後的計算結果。

預期信用損失是透過無偏類及概率加權計算的金額，而此金額是通過評估一系列可能的結果、金額的時間價值，以及過去事件、當前狀況和未來經濟狀況預測的合理及有證據支持的資料來評估。本集團在預期信用損失計量中採用三個經濟情景以滿足香港財務報告準則第9號的要求。「基礎」情景代表最可能的結果，而另外兩個情景，分別為「良好」情景和「低迷」情景，則代表較低可能的結果，與基礎情景相比，此兩個情景的結果較為樂觀或悲觀。

風險委員會負責審批預期信用損失方法論，管理層負責預期信用損失模型的應用。信貸風險管理負責維護預期信用損失方法論，包括常規性的模型重檢及參數更新。獨立模型驗證團隊負責每年的預期信用損失模型驗證。如預期信用損失方法論有任何變更，本集團將按既定的程序進行審批。

市場風險管理

市場風險是指因金融市場價格(匯率、利率、股票價格、商品價格)波動導致銀行外匯、利率、股票和商品持倉值出現變化而可能給本集團帶來的損失。本集團採取適中的市場風險偏好，實現風險與收益的平衡。市場風險管理的目標，是根據本集團的風險偏好和資金業務發展策略，依靠完善的風險管理制度和相關管理手段，有效管理本集團業務中可能產生的市場風險，促進資金業務健康發展。

本集團按照風險管理企業管治原則管理市場風險，董事會及風險委員會、高層管理人員和職能部門/單位，各司其職，各負其責。風險管理部負責本集團市場風險管理，協助高層管理人員履行日常管理職責，獨立監察本集團及中銀香港的市場風險狀況以及管理政策和限額執行情況，並確保整體和個別的市場風險均控制在可接受水平內。

本集團市場風險管理的範圍，包括中銀香港和附屬機構。本集團制訂市場風險管理政策，規範中銀香港及附屬機構的市場風險管理，同時，設置集團風險值及壓力測試限額，並根據業務需求和風險承受能力統一配置和監督使用。在符合集團政策規定的前提下，附屬機構制訂具體的政策及程序，承擔其日常市場風險管理責任。

本集團設有市場風險指標及限額，用於識別、計量、監測和控制市場風險。主要風險指標和限額包括但不限於風險值、止損額、敞口額、壓力測試以及敏感性分析(基點價值、期權敏感度)等。主要風險指標和限額視管理需要劃分為四個層級，分別由風險委員會、管理委員會、風險總監及主管資金業務的副總裁或業務單位主管批准，中銀香港資金業務單位及附屬機構(就集團限額而言)必須在批核的市場風險指標和限額範圍內開展業務。

本集團採用風險值度量一般市場風險，並定期向風險委員會和高層管理人員報告。本集團採用統一的風險值計量模型，運用歷史模擬法，以過去2年歷史市場數據為參照，計算99%置信水平下及1天持有期內集團層面及各附屬機構的風險值，並設定本集團和各附屬機構的風險值限額。

本集團採用回顧測試衡量風險值模型計量結果的準確性。回顧測試是將每一交易日市場風險持倉的風險值數字與下一個交易日從這些持倉得到的實際及假設損益作出比較。一般而言，在99%置信水平下，在連續12個月內的例外情況應該不超過4次。

管理層討論及分析 (續)

利率風險管理

利率風險是指因利率水平、資產負債期限結構等要素發生變動而可能導致銀行整體收益和經濟價值承受損失的風險。本集團的利率風險承擔主要來自結構性持倉。結構性持倉的主要利率風險類別為：

- 利率重訂風險：資產與負債的到期日或重訂價格期限可能錯配，進而影響淨利息收入及經濟價值；
- 利率基準風險：不同交易的定價基準不同，令資產的收益率和負債的成本可能會在同一重訂價格期間以不同的幅度變化；及
- 期權風險：由於資產、負債或表外項目附設有期權，當期權行使時會改變相關資產或負債的現金流。

本集團風險管理架構同樣適用於利率風險管理。根據風險委員會批准的《中銀香港集團銀行賬利率風險管理政策》，資產負債管理委員會(ALCO)具體履行管理集團利率風險的職責。風險管理部負責本集團利率風險管理，在財務管理部及投資管理等的配合下，協助資產負債管理委員會開展日常的利率風險管理工作，包括但不限於起草管理政策，選擇管理方法，設立風險指標和限額，評估目標資產負債表，監督利率風險管理政策與限額執行情況，向高層管理人員以及風險委員會提交利率風險管理報告等。

本集團設定利率風險指標及限額，每日用於識別、計量、監測和控制利率風險。主要風險指標和限額包括但不限於重訂價缺口、利率基準風險、久期、基點現值(PVBP)、淨利息波動比率(NII)、經濟價值波動比率(EV)等。主要風險指標和限額劃分不同層級，按不同層級分別由財務總監、風險總監、資產負債管理委員會及風險委員會批准。承擔利率風險的各業務單位必須在利率風險指標限額範圍內開展相關業務。本集團推出銀行賬新產品或新業務前，相關單位須先執行風險評估程序，包括評估潛在的利率風險，並考慮現行的風險監控機制是否足夠。如在風險評估程序中發現對銀行利率風險造成重大影響，須上報風險委員會審批。

淨利息波動比率(NII)和經濟價值波動比率(EV)反映利率變動對集團淨利息收入和資本基礎的影響，是本集團管理利率風險的重要風險指標。前者衡量利率變動導致的淨利息收入變動佔當年預期淨利息收入的比率；後者衡量利率變化對銀行經濟價值（即按市場利率折算的資產、負債及表外業務預測現金流的淨現值）的影響佔最新一級資本的比率。風險委員會為這兩項指標設定限額，用來監測和控制本集團銀行賬利率風險。

本集團採用情景分析和壓力測試方法，評估不利市況下銀行賬可能承受的利率風險。情景分析和壓力測試同時用於測試儲蓄存款客戶擇權、按揭客戶提早還款、以及內含期權債務證券提前還款對銀行淨利息收入和經濟價值的影響。

流動資金風險管理

流動資金風險是指銀行無法以合理成本及時獲得充足資金，履行到期義務的風險。本集團遵循穩健的流動資金風險偏好，確保在正常情況或壓力情景下均有能力提供穩定、可靠和足夠的現金來源，滿足流動資金需求；在極端情景下累積的淨現金流為正值，可以保證基本生存期內的流動資金需要。

本集團按照風險管理企業管治原則管理流動資金風險，董事會及風險委員會、高層管理人員和職能部門/單位，各司其職，各負其責。風險委員會是流動資金風險管理決策機構，並對流動資金風險承擔最終管理責任。風險委員會授權資產負債管理委員會管理日常的流動資金風險，確保本集團的業務經營符合風險委員會設定的流動資金風險偏好和政策規定。風險管理部負責本集團流動資金風險管理，它與財務管理部及投資管理合作，根據各自的職責分工協助資產負債管理委員會履行具體的流動資金管理職能。

本集團管理流動資金風險的目標，是按照流動資金風險偏好，以合理的成本有效管理資產負債表內及表外業務的流動性，實現穩健經營和持續盈利。本集團以客戶存款為主要的資金來源，積極吸納和穩定核心存款，並輔以同業市場拆入款項及在資本市場發行票據，確保穩定和充足的資金來源。本集團根據不同期限及壓力情景下的流動資金需求，調整資產組合的結構（包括貸款、債券投資及拆放同業等），保持充足的流動資產，以便提供足夠的流動資金支持正常業務需要，及在緊急情況下有能力以合理的成本及時籌集到資金，保證對外支付。本集團致力實現融資渠道及期限和資金運用的多樣化，以避免資產負債過於集中，防止因資金來源或運用過於集中在某個方面，當其出現問題時，導致整個資金供應鏈斷裂，觸發流動資金風險。為了管理此類風險，集團對抵押品和資金來源設置了管理集中度的限額，如第一類流動資產佔總流動資產比率、首十大存戶比率和十大存戶比率等。必要時，本集團可採取緩釋措施改善流動性狀況，措施包括但不限於通過銀行同業拆借或在貨幣市場進行回購獲得資金，在二手市場出售債券或挽留現有及吸納新的客戶存款。除了增加資金外，集團還將與交易對手、母行和監管機構保持良好溝通，以加強相互信任。

本集團制訂了集團內部流動資金風險管理指引，管理集團內各成員之間的流動資金，避免相互間在資金上過度依賴。本集團亦注重管理表外業務可能產生的流動資金風險，如貸款承諾、衍生工具、期權及其他複雜的結構性產品。本集團的流動資金風險管理策略涵蓋了外幣資產負債流動管理、抵押品、即日流動性、集團內流動性以及其他風險引致的流動資金風險等，並針對流動資金風險制訂了應急計劃。

管理層討論及分析（續）

本集團設定流動資金風險指標和限額，每日用來識別、計量、監測和控制流動資金風險，包括但不限於流動性覆蓋比率、穩定資金淨額比率、貸存比率、最大累計現金流出、以及流動資金緩衝等。本集團採用現金流量分析以評估本集團於正常情況下的流動資金狀況，並最少每月進行流動資金風險壓力測試（包括自身危機、市場危機情況及合併危機）和其他方法，評估本集團抵禦各種嚴峻流動資金危機的能力。本集團亦建立了相關管理資訊系統如資產負債管理系統及巴塞爾流動比率管理系統，提供數據及協助編製常規管理報表，以管理好流動資金風險。

本集團根據金管局頒佈之監管政策手冊LM-2《穩健的流動資金風險管理系統及管控措施》中的要求，落實對現金流分析及壓力測試當中所採用的習性模型及假設，以強化本集團於日常及壓力情景下的現金流分析。在日常情況下的現金流分析，本集團對各項應用於表內項目（如客戶存款）及表外項目（如貸款承諾）作出假設。因應不同資產、負債及表外項目的特性，根據合約到期日、客戶習性假設及資產負債規模變化假設，以預測本集團的未來現金流量狀況。本集團設定「最大累計現金流出」指標，根據以上假設預測在日常情況下的未來30日之最大累計現金净流出，以評估本集團的融資能力是否足以應付該現金流缺口，以達到持續經營的目的。

在流動資金風險壓力測試中，本集團設立了自身危機、市場危機及合併危機情景，合併危機情景結合自身危機及市場危機，並採用一套更嚴謹的假設，以評估本集團於更嚴峻的流動資金危機情況下的抵禦能力。壓力測試的假設包括零售存款、批發存款及同業存款之流失率，貸款承諾及與貿易相關的或然負債之提取率，貸款逾期比例及滾動發放比率，同業拆出及有價證券的折扣率等。於2020年6月30日，本集團在以上三種壓力情景下都能維持現金淨流入，表示本集團有能力應付壓力情景下的融資需要。此外，本集團的管理政策要求本集團維持流動資金緩衝，當中包括的高質素或質素相若的有價證券為由官方實體、中央銀行、公營單位或多邊發展銀行發行或擔保，而其風險權重為0%或20%，或由非金融企業發行的有價證券，其外部信用評級相等於A-或以上，以確保在壓力情況下的資金需求。應急計劃明確了需根據壓力測試結果和預警指標結果為啟動方案的條件，並詳述了相關行動計劃、程序以及各相關部門的職責。

金管局指定本集團為第一類認可機構，並需要根據《銀行業（流動性）規則》以綜合基礎計算流動性覆蓋比率及穩定資金淨額比率。於2020年，本集團須維持流動性覆蓋比率及穩定資金淨額比率不少於100%。

在部分衍生工具合約中，交易對手有權基於對本集團的信用狀況的關注而向本集團收取額外的抵押品。

本集團對流動資金風險的管理，同時適用於新產品或新業務。在新產品或業務推出前，相關單位必須先履行風險評估程序，包括評估潛在的流動資金風險，並考慮現行的風險監控機制是否足夠。如在風險評估程序中發現對銀行流動資金風險造成重大影響，須上報風險委員會審批。

本集團制訂統一的流動資金風險管理政策，規範和指導所有集團成員的流動資金風險管理；各附屬機構根據集團的統一政策，結合自身特點制訂具體的管理辦法，並各自承擔管理本管機構流動資金風險的責任。各附屬機構須定期向中銀香港報告流動資金風險管理信息及其相關流動資金比率，中銀香港風險管理部匯總各附屬機構的信息，對整個集團的流動資金風險狀況進行評估，確保滿足相關要求。

操作風險管理

操作風險是指由不完善或有問題的內部程序、人員、系統，以及外部事件所造成損失的風險。操作風險隱藏於業務操作的各個環節，是本集團在日常操作活動中面對的風險。

本集團實施操作風險管理「三道防線」體系：所有部門或功能單位為第一道防線，是操作風險管理的第一責任人，通過自我評估與自我提升來履行業務經營過程中自我風險控制職能。法律合規與操作風險管理部連同一些與操作風險管理相關的專門職能單位包括人力資源部、公司服務部、防範金融犯罪部、財務管理部、司庫與會計部（統稱為「專門職能單位」）為第二道防線，負責評估和監控第一道防線操作風險狀況，對其工作提供指導。獨立於業務單位的法律合規與操作風險管理部，負責協助管理層管理本集團的操作風險，包括制定和重檢操作風險管理政策和框架、設計操作風險的管理工具和匯報機制、評估及向管理層和風險委員會匯報總體操作風險狀況；專門職能單位對操作風險的一些特定的範疇或與其相關事項，履行第二道防線的牽頭管理責任，除負責本單位操作風險管理外，亦須就指定的操作風險管理範疇向其他單位提供專業意見／培訓並履行集團整體的操作風險牽頭管理。集團審計為第三道防線，對操作風險管理框架的有效性與充足性作獨立評估，需定期稽查本集團各部門或功能單位操作風險管理工作的合規性和有效性，並提出整改意見。

本集團建立了有效的內部控制程序，對所有重大活動訂下政策及監控措施。設置適當的職責分工和授權乃本集團緊守的基本原則。本集團採用關鍵風險指標、自我評估、操作風險事件匯報及檢查等不同的操作風險管理工具或方法來識別、評估、監察及控制潛在於業務活動及產品內的風險，同時透過購買保險將未能預見的操作風險減低。對支援緊急或災難事件時的業務運作備有持續業務運作計劃，並維持充足的後備設施及定期進行演練。

管理層討論及分析（續）

信譽風險管理

信譽風險是指因與本集團業務經營有關的負面報導（不論是否屬實），可能引致客戶基礎縮小、成本高昂的訴訟或收入減少等風險。信譽風險隱藏於其他風險及各業務運作環節，涉及層面廣泛。

為減低信譽風險，本集團制定並遵循信譽風險管理政策。此政策的目的是當信譽風險事件發生時本集團能夠盡早識別和積極防範。鑒於信譽風險往往是由各種可能令公眾對本集團信任受損的操作及策略失誤所引發，本集團建立關鍵控制自我評估機制包括相關風險評估工具，以評估各主要風險可能對本集團造成的嚴重影響，包括對本集團信譽的損害程度。

此外，本集團建立完善機制持續監測金融界所發生的信譽風險事件，以有效管理、控制及減低信譽風險事件的潛在負面影響。本集團亦借助健全有效機制及時向利益相關者披露信息，由此建立公眾信心及樹立本集團良好公眾形象。

法律及合規風險管理

法律風險是指因不可執行合約、訴訟或不利判決而可能使本集團運作或財務狀況出現混亂或負面影響的風險。合規風險是指因未有遵守適用法例及規則，而可能導致本集團需承受遭法律或監管機構制裁、引致財務損失或信譽損失的風險。法律及合規風險由法律合規與操作風險管理部管理，而關於洗錢、恐怖分子資金籌集、欺詐與貪腐風險則由防範金融犯罪部負責作獨立管理及監控。法律合規與操作風險管理部及防範金融犯罪部均直接向副總裁匯報。法律合規風險管理政策，以及防洗錢、反恐怖分子資金籌集及防範金融犯罪合規風險管理政策是集團公司治理架構的組成部分，由董事會屬下的風險管理委員會審批。

策略風險管理

策略風險指本集團在實施各項策略，包括宏觀戰略與政策，以及為執行戰略與政策而制訂各項具體的計劃、方案和制度時，由於在策略制訂、實施及調整過程中失當，從而使本集團的盈利、資本、信譽或市場地位受到影響的風險。董事會檢討和審批策略風險管理政策。重點戰略事項均得到高層管理人員與董事會的充分評估與適當的審批。

本集團會因應最新市場情況及發展，定期檢討業務策略。

資本管理

本集團資本管理的主要目標是維持與集團整體風險狀況相稱的資本充足水平，同時為股東帶來最大回報。資產負債管理委員會定期檢討本集團資本結構，並在需要時進行調整以保持風險、回報與資本充足性的最佳平衡。

為符合金管局監管政策手冊「監管審查程序」內的要求，本集團採用內部資本充足評估程序並每年作出重檢。按金管局對第二支柱的指引，內部資本充足評估程序主要用以評估在第一支柱下未有涵蓋或充分涵蓋的重大風險所需的額外資本，從而設定本集團最低普通股權一級資本比率、最低一級資本比率及最低總資本比率。同時，本集團亦就前述的資本比率設定了運作區間，以支持業務發展需要及促進資本的有效運用。

壓力測試

本集團以壓力測試輔助各項風險的分析工作。壓力測試是一種風險管理工具，用以評估當市場或宏觀經濟因素急劇變化並產生極端不利的經營環境時銀行風險暴露的情況。本集團內各風險管理單位按金管局監管政策手冊「壓力測試」內的原則，定期進行壓力測試。資產負債管理委員會根據風險委員會批准的主要風險限額，對壓力測試的結果進行監控，財務管理部定期向董事會及風險委員會匯報本集團的綜合測試結果。

Management Discussion and Analysis

CONSOLIDATED FINANCIAL REVIEW

Financial Highlights

HK\$m	Half-year ended 30 June 2020	Half-year ended 31 December 2019	Half-year ended 30 June 2019
Net operating income before impairment allowances	27,983	28,785	28,264
Operating expenses	(7,331)	(8,847)	(7,277)
Operating profit before impairment allowances	20,652	19,938	20,987
Operating profit after impairment allowances	19,309	18,714	20,196
Profit before taxation	18,816	18,421	20,913
Profit for the period	15,790	15,662	17,692
Profit attributable to equity holders of the Bank	15,704	15,576	17,610

In the first half of 2020, the Group's profit for the period amounted to HK\$15,790 million, a decrease of HK\$1,902 million or 10.8% year-on-year. Profit attributable to equity holders was HK\$15,704 million, a decrease of HK\$1,906 million or 10.8% year-on-year. Net charge of impairment allowances increased year-on-year during the period, resulting from a weakening in the macro economic outlook and a growth in advances to customers. Fair-value adjustments on investment properties recorded a net loss, as compared with a net gain in the same period last year. Net operating income before impairment allowances was HK\$27,983 million, down HK\$281 million or 1.0% year-on-year. This was mainly due to a narrowing of net interest margin, which more than offset the positive impact from the increase in average interest-earning assets, resulting in a decrease in net interest income. Net fee and commission income fell, mainly due to the impact of the COVID-19 pandemic and economic downturn. This decrease in income was partially offset by a higher net gain from the disposal of certain debt securities investments. Operating expenses rose 0.7% on a year-on-year basis, as a result of the Group's ongoing investment in supporting its long-term business expansion while adopting cautious cost control measures.

As compared with the second half of 2019, the Group's net operating income before impairment allowances decreased by HK\$802 million or 2.8%. This was mainly due to a decrease in net interest income and a lower net trading gain for the banking business, which was partially offset by an increase in net fee and commission income and a net gain from the disposal of debt securities investments. Operating expenses dropped, offsetting the impact from the increase in net charge of impairment allowances. Profit for the period increased by HK\$128 million or 0.8% compared to the second half of last year.

Management Discussion and Analysis (continued)

INCOME STATEMENT ANALYSIS

Net Interest Income and Net Interest Margin

HK\$m, except percentages	Half-year ended 30 June 2020	Half-year ended 31 December 2019	Half-year ended 30 June 2019
Interest income	27,217	32,504	32,034
Interest expense	(10,289)	(13,561)	(13,712)
Net interest income	16,928	18,943	18,322
Average interest-earning assets	2,560,911	2,495,990	2,445,790
Net interest spread	1.19%	1.32%	1.32%
Net interest margin	1.33%	1.51%	1.51%
Net interest margin (adjusted)*	1.42%	1.61%	1.61%

* Including the funding income or cost of foreign currency swap contracts.

Net interest income amounted to HK\$16,928 million in the first half of 2020. If the funding income or cost of foreign currency swap contracts[#] were included, net interest income would have decreased by 7.3% year-on-year. The decrease was mainly due to a narrowing of net interest margin, partially offset by growth in average interest-earning assets.

Average interest-earning assets expanded by HK\$115,121 million or 4.7% year-on-year. An increase in deposits from customers led to an increase in advances to customers.

Net interest margin was 1.33%. If the funding income or cost of foreign currency swap contracts were included, net interest margin would have been 1.42%, down 19 basis points year-on-year. This was mainly due to falling market interest rates, intense market competition for deposits and loans, and the relatively shorter loan repricing periods than those of deposits, resulting in a narrowing of the loan and deposit spread. In addition, the average yield of debt securities investments and other debt instruments dropped and the contribution from net free funds decreased. The Group proactively managed its assets and liabilities in response to challenges in the market environment, resulting in solid growth in its loan portfolio, enhanced deposit pricing management and an improved deposit mix with a higher CASA ratio, partially offsetting the aforementioned negative impacts.

[#] Foreign exchange swap contracts are normally used for the Group's liquidity management and funding activities. In foreign exchange swap contracts, the Group exchanges one currency (original currency) for another (swapped currency) at the spot exchange rate (spot transaction) and commits to reverse the spot transaction by exchanging the same currency pair at a future maturity date at a predetermined rate (forward transaction). In this way, surplus funds in the original currency are swapped into another currency for liquidity and funding purposes with minimal foreign exchange risk. The exchange difference (funding income or cost) between the spot and forward contracts is recognised as a foreign exchange gain or loss (as included in "net trading gain"), while the corresponding interest differential between the surplus funds in the original currency and swapped currency is reflected in net interest income.

Management Discussion and Analysis (continued)

The table below summarises the average balances and average interest rates of individual categories of assets and liabilities:

	Half-year ended 30 June 2020		Half-year ended 31 December 2019		Half-year ended 30 June 2019	
	Average balance HK\$m	Average yield %	Average balance HK\$m	Average yield %	Average balance HK\$m	Average yield %
ASSETS						
Balances and placements with banks and other financial institutions	304,937	1.09	304,043	1.69	334,620	1.82
Debt securities investments and other debt instruments	750,579	1.83	776,616	2.14	794,849	2.25
Advances to customers and other accounts	1,477,759	2.52	1,390,257	3.03	1,297,847	3.09
Other interest-earning assets	27,636	1.09	25,074	2.43	18,474	2.80
Total interest-earning assets	2,560,911	2.13	2,495,990	2.58	2,445,790	2.64
Non interest-earning assets	405,665	-	367,146	-	345,093	-
Total assets	2,966,576	1.84	2,863,136	2.25	2,790,883	2.31
LIABILITIES						
Deposits and balances from banks and other financial institutions	197,058	0.77	183,832	1.14	198,499	1.22
Current, savings and time deposits	1,965,712	0.94	1,893,706	1.24	1,840,470	1.29
Subordinated liabilities	2,920	5.50	13,027	5.47	13,160	5.51
Other interest-bearing liabilities	35,719	1.37	37,566	1.68	41,753	1.82
Total interest-bearing liabilities	2,201,409	0.94	2,128,131	1.26	2,093,882	1.32
Shareholders' funds* and other non interest-bearing deposits and liabilities	765,167	-	735,005	-	697,001	-
Total liabilities	2,966,576	0.70	2,863,136	0.94	2,790,883	0.99

* Shareholders' funds represent capital and reserves attributable to the equity holders of the Bank.

If the funding income or cost of foreign currency swap contracts were included, the Group's net interest income would have decreased by 10.8% compared to the second half of 2019. Net interest margin fell by 19 basis points, which was mainly due to a narrowing of the loan and deposit spread and a drop in the average yield of debt securities investments and other debt instruments, as well as a decrease in the contribution from net free funds.

Management Discussion and Analysis (continued)

Net Fee and Commission Income

HK\$m	Half-year ended 30 June 2020	Half-year ended 31 December 2019	Half-year ended 30 June 2019
Securities brokerage	1,567	1,020	1,093
Loan commissions	1,392	1,052	1,623
Credit card business	928	1,346	1,639
Insurance	782	1,282	1,295
Funds distribution	392	396	420
Payment services	358	377	339
Trust and custody services	327	347	313
Bills commissions	278	348	352
Currency exchange	157	276	323
Safe deposit box	153	150	144
Others	502	595	691
Fee and commission income	6,836	7,189	8,232
Fee and commission expense	(1,129)	(1,451)	(1,765)
Net fee and commission income	5,707	5,738	6,467

In the first half of 2020, net fee and commission income amounted to HK\$5,707 million, down HK\$760 million or 11.8% year-on-year. The decrease was mainly due to the impact of the COVID-19 pandemic and economic downturn, which slowed economic activities and adversely affected the tourism, retail, and trade sectors, resulting in a drop in commission income from currency exchange, credit card business and bills of 51.4%, 43.4% and 21.0% respectively. Commission income from insurance and funds distribution decreased by 39.6% and 6.7% respectively amid adverse investor sentiment in the market and changes in market interest rates. Loan commissions also decreased by 14.2%. However, commission income from securities brokerage increased by 43.4% amid increased transaction volumes in the stock market in the first half of 2020. Commission income from payment services was up 5.6% as a result of the Group's efforts to accelerate the development of its cash management business and maintain its leading market position in the cash pooling business. Assets under management ("AUM") relating to the Group's trust and custody business continued to grow, with related income increasing by 4.5%. Fee and commission expenses fell, mainly due to a drop in credit card business related expenses as a result of lower business volume.

Compared with the second half of 2019, net fee and commission income decreased by HK\$31 million or 0.5%. Commission income from securities brokerage and loans grew. However, commission income from credit card business, insurance, currency exchange, bills, trust and custody services as well as payment services decreased. Fee and commission expenses decreased due to lower credit card business related expenses.

Management Discussion and Analysis (continued)

Net Trading Gain

HK\$m	Half-year ended 30 June 2020	Half-year ended 31 December 2019	Half-year ended 30 June 2019
Foreign exchange and foreign exchange products	2,985	3,189	2,543
Interest rate instruments and items under fair value hedge	(971)	(45)	(485)
Commodities	250	240	126
Equity and credit derivative instruments	59	24	57
Total net trading gain	2,323	3,408	2,241

In the first half of 2020, the Group's net trading gain amounted to HK\$2,323 million, an increase of HK\$82 million or 3.7% year-on-year. Net trading gain from foreign exchange and foreign exchange products increased by HK\$442 million, which was mainly attributable to a mark-to-market gain from foreign exchange products, as compared with a mark-to-market loss in the first half of 2019. Net trading loss from interest rate instruments and items under fair value hedge increased from the same period last year, primarily due to mark-to-market changes to certain debt securities investments and interest rate instruments caused by market interest rate movements. Net trading gain from commodities increased, mainly due to an increased gain from bullion transactions. If the funding income or cost of foreign currency swap contracts were excluded, net trading gain would have increased by 10.2% year-on-year.

Compared with the second half of 2019, net trading gain decreased by HK\$1,085 million or 31.8%. This was mainly attributable to mark-to-market changes to certain debt securities investments and interest rate instruments caused by market interest rate movements. If the funding income or cost of foreign currency swap contracts were excluded, net trading gain would have decreased by 44.3% from the second half of 2019.

Management Discussion and Analysis (continued)

Operating Expenses

HK\$m	Half-year ended 30 June 2020	Half-year ended 31 December 2019	Half-year ended 30 June 2019
Staff costs	4,202	4,899	4,086
Premises and equipment expenses (excluding depreciation)	540	879	642
Depreciation	1,499	1,450	1,373
Other operating expenses	1,090	1,619	1,176
Total operating expenses	7,331	8,847	7,277

	At 30 June 2020	At 31 December 2019	At 30 June 2019
Staff headcount measured in full-time equivalents	14,407	14,215	13,524

Total operating expenses amounted to HK\$7,331 million, an increase of HK\$54 million or 0.7% year-on-year, reflecting the Group's ongoing investment in its strategic priorities, including accelerating its transformation into a digital bank and supporting fintech innovation, pushing forward its regional business development and uplifting its overall service competitiveness, while always maintaining proactive cost control. The cost to income ratio was 26.20%, with the Group maintaining cost efficiency at a solid level relative to industry peers.

Staff costs increased by 2.8% year-on-year, mainly due to annual salary increment and increased headcount. The increase was also due to higher staff allowances and welfare expenses.

Premises and equipment expenses decreased by 15.9%. Following the adoption of Hong Kong Financial Reporting Standard 16 ("HKFRS 16"), "Leases", leases for use of premises are accounted for as a right-of-use asset, with related rental expenses recognised as the depreciation of the right-of-use asset. However, some of the short-term leases, leases of low-value assets and variable lease payments continued to be recognised as rental expenses in the first half of 2019. Rental expenses decreased year-on-year subsequent to the expiration of these leases.

Depreciation increased by 9.2%, mainly due to the impact of HKFRS 16, and increased depreciation charges on premises and information technology infrastructure.

Other operating expenses decreased by 7.3%, mainly due to a decrease in advertising and business promotional expenses.

Compared with the second half of 2019, total operating expenses decreased by HK\$1,516 million or 17.1%. The decrease was due to lower performance-related remuneration, advertising and business promotional expenses, as well as rental and renovation expenses.

Management Discussion and Analysis (continued)

Net Charge of Impairment Allowances on Advances and Other Accounts

HK\$m	Half-year ended 30 June 2020	Half-year ended 31 December 2019	Half-year ended 30 June 2019
Stage 1	(831)	(425)	(276)
Stage 2	(72)	9	12
Stage 3	(408)	(719)	(453)
Total net charge of impairment allowances on advances and other accounts	(1,311)	(1,135)	(717)

In the first half of 2020, net charge of impairment allowances on advances and other accounts amounted to HK\$1,311 million, an increase of HK\$594 million or 82.8% year-on-year. Impairment allowances at Stage 1 recorded a net charge of HK\$831 million, up HK\$555 million year-on-year. The outbreak of COVID-19 shocked the global economy, resulting in a year-on-year drop in GDP and a disruption in business activities which adversely affected profitability and liquidity of corporate clients. The rise in the unemployment rate also affected the credit quality of retail clients. The Group prudently updated the parameter values in the expected credit loss model to take into consideration the increased uncertainty in macroeconomic outlook, as well as loan growth during the period, resulting in an increase in impairment allowances. Impairment allowances at Stage 2 recorded a net charge of HK\$72 million, as compared to a net reversal of HK\$12 million in the same period last year, mainly reflecting the impact of changes to the internal ratings of certain customers. Impairment allowances at Stage 3 amounted to HK\$408 million, a decrease of HK\$45 million year-on-year, mainly due to the downgrading of certain corporate advances in the same period last year, resulting in a higher base for comparison. As at 30 June 2020, the Group's total loan impairment allowances as a percentage of advances to customers was 0.54%. Annualised credit cost of advances to customers was 0.18%, up 4 basis points from last year's full-year figure.

Compared with the second half of 2019, net charge of impairment allowances on advances and other accounts increased by HK\$176 million, or 15.5%, owing to an increase in impairment allowances resulting from higher loan growth in the first half of this year alongside changes to the parameter values in the expected credit loss model, which was updated prudently to take into consideration the increased uncertainty in macroeconomic outlook arising from the impact of COVID-19.

Management Discussion and Analysis (continued)

ANALYSIS OF ASSETS AND LIABILITIES

The table below summarises the Group's asset composition. Please refer to Note 19 to the Interim Financial Information for the contract/notional amounts and fair values of the derivative financial instruments. Please refer to Note 34 to the Interim Financial Information for the contractual amounts of each significant class of contingent liability and commitment and the aggregate credit risk-weighted amounts.

Asset Composition

HK\$m, except percentages	At 30 June 2020		At 31 December 2019	
	Amount	% of total	Amount	% of total
Cash and balances and placements with banks and other financial institutions	409,239	13.4	366,636	12.7
Hong Kong SAR Government certificates of indebtedness	175,330	5.7	163,840	5.7
Securities investments and other debt instruments ¹	782,781	25.5	785,997	27.3
Advances and other accounts	1,509,660	49.2	1,412,501	49.1
Fixed assets and investment properties	69,669	2.3	71,601	2.6
Other assets ²	119,035	3.9	73,979	2.6
Total assets	3,065,714	100.0	2,874,554	100.0

1. Securities investments and other debt instruments comprise investment in securities and financial assets at fair value through profit or loss.

2. Other assets comprise derivative financial instruments, interests in associates and joint ventures, current tax assets and deferred tax assets.

As at 30 June 2020, the total assets of the Group amounted to HK\$3,065,714 million, an increase of HK\$191,160 million or 6.7% from the end of last year. Cash and balances and placements with banks and other financial institutions increased by HK\$42,603 million or 11.6%, mainly due to an increase in balances with central banks. Advances and other accounts rose by HK\$97,159 million or 6.9%, with advances to customers growing by HK\$107,625 million or 7.7% and trade bills decreasing by HK\$7,460 million or 36.0%. Other assets increased by HK\$45,056 million or 60.9%, as a result of an increase in accounts receivable of clearing items .

Management Discussion and Analysis (continued)

Advances to Customers

HK\$m, except percentages	At 30 June 2020		At 31 December 2019	
	Amount	% of total	Amount	% of total
Loans for use in Hong Kong	992,443	66.0	924,274	66.3
Industrial, commercial and financial	566,860	37.7	516,606	37.1
Individuals	425,583	28.3	407,668	29.2
Trade financing	82,074	5.5	75,764	5.4
Loans for use outside Hong Kong	428,531	28.5	395,385	28.3
Total advances to customers	1,503,048	100.0	1,395,423	100.0

In the first half of 2020, the Group remained committed to meeting the integrated financial service demands of large corporates from Hong Kong and overseas countries. It continued to strengthen its service capabilities to local commercial clients, supported the loan demands of high-quality customers and expedited the digitalisation of its mortgage business processes. At the same time, the Group steadily expanded its business in the Southeast Asian region and enhanced its marketing efforts so as to acquire Belt and Road related target clients and major projects, giving full play to its role as BOC's Asia-Pacific syndicated loan centre. During the period, the Group remained the top mandated arranger in the Hong Kong and Macao syndicated loan market. It also maintained its leading position in the residential mortgage business in Hong Kong. In the first half of 2020, advances to customers grew by HK\$107,625 million, or 7.7%, to HK\$1,503,048 million.

Loans for use in Hong Kong grew by HK\$68,169 million or 7.4%.

- Lending to the industrial, commercial and financial sectors increased by HK\$50,254 million or 9.7%, reflecting growth in manufacturing, property investment, transport and transport equipment and IPO financing.
- Lending to individuals increased by HK\$17,915 million, or 4.4%. Residential mortgage loans (excluding those under government-sponsored home purchasing schemes) grew by 4.1% while other individual loans increased by 7.7%, mainly driven by an increase in personal loans for investment and property refinancing purposes.

Trade financing increased by HK\$6,310 million or 8.3%. Loans for use outside Hong Kong grew by HK\$33,146 million or 8.4%, mainly driven by growth in loans for use in the Mainland and Southeast Asia.

Management Discussion and Analysis (continued)

Loan Quality

HK\$m, except percentages	At 30 June 2020	At 31 December 2019
Advances to customers	1,503,048	1,395,423
Classified or impaired loan ratio	0.25%	0.23%
Total impairment allowances	8,056	7,035
Total impairment allowances as a percentage of advances to customers	0.54%	0.50%
Residential mortgage loans ¹ - delinquency and rescheduled loan ratio ²	0.02%	0.01%
Card advances - delinquency ratio ²	0.34%	0.27%
	Half-year ended 30 June 2020	Half-year ended 30 June 2019
Card advances - charge-off ratio ³	1.88%	1.35%

1. Residential mortgage loans exclude those under the Home Ownership Scheme and other government-sponsored home purchasing schemes.
2. The delinquency ratio is the ratio of the total amount of overdue advances (more than three months) to total outstanding advances.
3. The charge-off ratio is the ratio of total write-offs made during the period to average card receivables during the period.

In view of the complex and challenging external environment experienced during the reporting period, the Group proactively strengthened its risk management system for all types of risks and continuously enhanced its regional risk management so as to maintain benign asset quality. As at 30 June 2020, the classified or impaired loan ratio was 0.25%, up 0.02 percentage points from the end of last year. Classified or impaired loans amounted to HK\$3,817 million, an increase of HK\$600 million from the end of last year.

The credit quality of the Group's residential mortgage loans remained stable. The combined delinquency and rescheduled loan ratio of residential mortgage loans was 0.02% as at 30 June 2020. The charge-off ratio of card advances for the first half of 2020 was 1.88%, up 0.53 percentage points year-on-year.

Management Discussion and Analysis (continued)

Deposits from Customers

HK\$m, except percentages	At 30 June 2020		At 31 December 2019	
	Amount	% of total	Amount	% of total
Demand deposits and current accounts	299,330	13.9	209,474	10.4
Savings deposits	996,732	46.4	900,631	44.7
Time, call and notice deposits	851,792	39.7	903,987	44.9
Total deposits from customers	2,147,854	100.0	2,014,092	100.0

In the first half of 2020, the Group stepped up its efforts to expand its mid- to high-end customer base and strengthened cooperation with government authorities, large corporates, major central banks, international financial institutions and sovereign funds through payroll, e-payment and payment collection services. At the same time, it actively leveraged its role as a main receiving bank for IPOs and expanded its cash management and cash pooling businesses, leading to solid growth in current accounts and savings deposits from both personal and corporate clients. As of 30 June 2020, total deposits from customers amounted to HK\$2,147,854 million, an increase of HK\$133,762 million or 6.6% from the end of last year. Demand deposits and current accounts increased by 42.9%, partly driven by IPO-related funds. Adjusting related impact, demand deposits and current accounts would have increased by 27.8%. Savings deposits increased by 10.7%. Time, call and notice deposits decreased by 5.8%. The CASA ratio was 60.3%.

Capital and Reserves Attributable to Equity Holders of the Bank

HK\$m	At 30 June 2020	At 31 December 2019
Share capital	43,043	43,043
Premises revaluation reserve	39,076	39,505
Reserve for fair value changes	3,581	2,336
Reserve for own credit risk	-	(33)
Regulatory reserve	5,667	11,077
Translation reserve	(901)	(581)
Retained earnings	183,918	163,525
Reserves	231,341	215,829
Capital and reserves attributable to equity holders of the Bank	274,384	258,872

Capital and reserves attributable to equity holders of the Bank amounted to HK\$274,384 million as at 30 June 2020, an increase of HK\$15,512 million or 6.0% from the end of 2019. The premises revaluation reserve decreased by 1.1%, reflecting a decrease in the valuation of the Group's premises in the first half of 2020. Reserve for fair value changes increased, mainly driven by market interest rate movements. The regulatory reserve decreased by 48.8%, mainly due to the HKMA's relaxation of the regulatory reserve requirement, which also led to a corresponding increase in retained earnings. Retained earnings rose by 12.5% from the end of last year, mainly reflecting the profit achieved in the first half of 2020 and the reversal from regulatory reserve.

Management Discussion and Analysis (continued)

Capital Ratio

HK\$m, except percentages	At 30 June 2020	At 31 December 2019
Consolidated capital after deductions		
Common Equity Tier 1 capital	216,560	195,039
Additional Tier 1 capital	23,476	23,476
Tier 1 capital	240,036	218,515
Tier 2 capital	30,222	32,855
Total capital	270,258	251,370
Total risk-weighted assets	1,169,600	1,098,018
Common Equity Tier 1 capital ratio	18.52%	17.76%
Tier 1 capital ratio	20.52%	19.90%
Total capital ratio	23.11%	22.89%

As at 30 June 2020, the Group's Common Equity Tier 1 ("CET1") capital and Tier 1 capital increased by 11.0% and 9.8% respectively, which was primarily attributable to profits recorded for the first half of 2020 and the HKMA's relaxation of its regulatory reserve requirement. Total capital increased by 7.5%, as subordinated liabilities qualifying as Tier 2 capital instruments matured during the period, resulting in lower growth in total capital. The Group remains committed to balancing growth in risk-weighted assets ("RWAs") with enhancement in returns. Total RWAs increased by 6.5%, mainly driven by loan growth. The CET1 capital ratio was 18.52% and Tier 1 capital ratio was 20.52%, up 0.76 and 0.62 percentage points respectively from the end of 2019. Total capital ratio was 23.11%, up 0.22 percentage points from the previous year-end. The Group continued to review its capital structure and manage the growth of its RWAs so as to maintain an appropriate capital level to support the sustainable business development while balancing returns to its equity holders.

Liquidity Coverage Ratio and Net Stable Funding Ratio

	2020	2019
Average value of liquidity coverage ratio		
First quarter	150.45%	183.00%
Second quarter	131.38%	156.57%
Third quarter	N/A	142.85%
Fourth quarter	N/A	146.53%
Quarter-end value of net stable funding ratio		
First quarter	116.60%	121.36%
Second quarter	117.49%	119.15%
Third quarter	N/A	116.47%
Fourth quarter	N/A	118.00%

The Group's liquidity position remained sound, with the average value of its liquidity coverage ratio and the quarter-end value of its net stable funding ratio exceeding the regulatory requirement for the first two quarters of 2020.

Management Discussion and Analysis (continued)

BUSINESS REVIEW

Taking into consideration the complex and challenging environment in the first half of 2020, the Group remained committed to its strategy of building a top-class, full-service and internationalised regional bank. It actively responded to changes in the market environment and steadily pushed forward its business priorities. Striving to be customer-centric at all times, it continued to develop the local market in Hong Kong, providing full support to the development of the real economy. The Group took the lead in introducing a number of financial relief initiatives and maintained stringent measures to prevent all risks during the pandemic. It was proactively involved in the construction of the Guangdong-Hong Kong-Macao Greater Bay Area and promoted cross-border synergistic collaboration so as to sharpen its integrated competitive strengths. It also improved its business network layout in Southeast Asia and enhanced regional synergies and service capabilities. The Group expedited its transformation into a digital bank, promoting technological innovation, infrastructure and application. Meanwhile, it deeply cultivated its bank culture to ensure solid, balanced and sustainable development.

Business Segment Performance **Profit before Taxation by Business Segment**

HK\$m, except percentages	Half-year ended 30 June 2020		Half-year ended 30 June 2019	
	Amount	% of total	Amount	% of total
Personal Banking	4,352	23.1	6,454	30.8
Corporate Banking	7,158	38.1	8,065	38.6
Treasury	7,169	38.1	5,036	24.1
Others	137	0.7	1,358	6.5
Total profit before taxation	18,816	100.0	20,913	100.0

Note: For additional segmental information, see Note 37 to the Interim Financial Information.

PERSONAL BANKING

Financial Results

Personal Banking achieved a profit before tax of HK\$4,352 million in the first half of 2020, a decrease of HK\$2,102 million or 32.6% year-on-year, mainly due to a decrease in net interest income and net fee and commission income, resulting in a drop in net operating income, and an increase in net charge of impairment allowances.

Net interest income decreased by 16.5%, mainly due to a narrowing of the deposit spread as a result of falling market interest rates and intense market competition. Net fee and commission income decreased by 7.8%, owing to a drop in commission income from insurance and credit card businesses. However, commission income from securities brokerage rose amid increased transaction volumes in the stock market, which partially offset these negative impacts. Net charge of impairment allowances amounted to HK\$630 million, up HK\$542 million year-on-year, owing to an increase in impairment allowances linked to heightened uncertainty in the macroeconomic outlook.

Management Discussion and Analysis (continued)

Business Operations

Providing full support to pandemic relief and addressing people's livelihood banking needs

The Group took the lead in launching a number of financial support and relief initiatives, including a principal repayment moratorium for mortgage loans, grace periods for insurance premium payment, as well as additional insurance protection, with the aim of offering multi-faceted support to individual customers affected by the pandemic and helping customers to navigate through difficult times. The Group collaborated extensively with the HKSAR government's Cash Payout Scheme, using its mobile and internet banking channels as well as its 169 branches to assist the general public in registering for the scheme to receive the HK\$10,000 payment. In addition, the Group was the only bank to offer cheque encashment services for the scheme, helping individuals to register for and collect the payment conveniently. To meet the general public's full range of financial needs, the Group provided maximal branch services during the pandemic and extended the service hours of account opening and certain transactions conducted through its e-channels. It also enriched the service scope of its e-channels, including launching a remote application service for its Qualifying Deferred Annuity Policy and Voluntary Health Insurance Scheme products, and broadening the range of insurance and investment products available online.

Giving full play to its online and offline competitive advantages to optimise customer services

In response to customer needs, the Group adjusted its service channel strategy by setting up eZone in its full branch network (excluding the Banking Services Centre and Safe Deposit Box Service Centre), providing customers with an innovative experience and tailored online and offline services. At the same time, it provided valuable services to mid- to high-end customers with a focus on offering professional, exclusive and privileged services, products and experiences. The Group further expanded its customer base, with the number of mid- to high-end customers as at the end of June 2020 maintaining double-digit percentage growth from the end of last year. By continuously enriching and integrating data resources and strengthening its big data AI infrastructure, the Group offered bespoke products and services according to customers' preferences and behaviours. It remained committed to developing the local customer segment in order to strengthen its core product advantages, resulting in steady growth of customer deposits, maintaining its top market position in total number of new residential mortgage loans, and recording notable year-on-year growth in the online transaction volumes of key investment products. During the period, in recognition of its performance in the personal banking industry, BOCHK was awarded Excellent Brand of Mortgage Services – Banking and Excellent Brand of Securities Services – Banking in the Hong Kong Leaders' Choice Brand Awards 2020 by Metro Finance, Bancassurer of the Year – Outstanding in the Financial Institution Awards 2020 by *Bloomberg Businessweek* and The Best Big Data or AI Initiative in the International Excellence in Retail Financial Services Awards 2020 by *The Asian Banker*.

The Group's private banking business maintained steady growth. By enhancing its collaboration with business units within the Group, it was able to strengthen its value chain for serving high-net-worth clients. In line with the development of green finance and environmental, social and governance standards, the Group enriched its exclusive private banking products and provided professional private banking services to high-net-worth clients and family offices. In addition, it continued to promote digital development, optimise its customised private banking systems, enrich its exclusive product range, strengthen its talent pool and team-building so as to enhance its private banking services. During the period, the number of customers continued to grow. As at 30 June 2020, private banking's AUM had increased 4.6% from the end of last year.

Management Discussion and Analysis (continued)

Promoting scenario-based application of products to accelerate customer migration to online transactions

The Group closely monitored changes in the market environment during the pandemic and accelerated its development into a digital bank. To meet rapid growth in customer demand for online transactions, the Group adopted a mobile first strategy by enhancing the personal account opening service and investment functions of its mobile banking, expediting the development of its digital mortgage business processes and providing e-channel service offerings so as to enhance its product functionality and competitiveness. In the first half of 2020, the total number of transactions conducted via mobile banking increased by over 60% year-on-year and the monthly average number of online mortgage applications was almost double that of last year's full-year figure. The Group utilised open Application Programme Interface ("API") technology to expand cross-platform cooperation and launched a developers' portal, opening up access to more than 90 open APIs. In line with the HKMA's Phase II of Open API, it strengthened cooperation with third party service providers, including online real estate agency platforms, external economic and financial applications, product comparison websites and comprehensive service platforms, so as to expand its cross-platform functions, including property purchase planning, securities and foreign exchange trading services and online loan application, and enrich its product scenario-based applications.

Promoting integrated development and collaboration in the Greater Bay Area and enhancing cross-border customer experience

The Group actively responded to the financial policies for the Guangdong-Hong Kong-Macao Greater Bay Area by focusing on the financial service needs of residents in Guangdong, Hong Kong and Macao, including account opening, transportation and property purchase. In the first half of 2020, it continued to enhance its Mainland personal account opening attestation service by supporting a digital account opening application process, as well as introducing a new standard instruction of remittance function in mobile banking, thus continuously enhancing Hong Kong residents' cross-border service experience. The Group enriched BoC Pay's application scenarios in the Greater Bay Area with the launch of a cross-border remittance function for mainland customers living in Hong Kong that facilitates their payments across the Greater Bay Area. To support Hong Kong customers' demand for purchasing properties in the Greater Bay Area, the Group launched the Greater Bay Area Personal Loan mortgage service, which optimises the full process of property viewing, contract signing, payment and mortgage services.

Enriching regional products and services and strengthening the foundation for business future growth

The Group continued to strengthen regional collaboration and optimise regional cross-border services. It expanded its cross-border attestation service to allow BOCHK customers to open personal accounts with BOC Malaysia and customers of the Ho Chi Minh City Branch and Brunei Branch to open personal accounts with BOCHK. The Group enriched its regional wealth management services, with BOC Malaysia offering a number of new funds and bonds. It accelerated digital development in Southeast Asia and achieved steady progress in its regional mobile payment project, with BOC Malaysia participating in and continuously enhancing an instant fund transfer service through local payment system DuitNow. The Jakarta Branch's debit cards were equipped with instant inter-bank transfer functionality via local automated teller machines within the country. The Manila Branch launched online foreign currency exchange services conducted via e-channels. In order to address personal customer needs for studying, employment, travel and property purchase in Southeast Asia, the Group launched the Personal Financial Services in Southeast Asia page on the BOCHK website. The Group also managed its regional products in a systematic and orderly manner, enhancing its internal management efficiency and risk control capabilities, and conducted the phased roll out of its integrated account opening platform and loan approval system.

Management Discussion and Analysis (continued)

CORPORATE BANKING

Financial Results

Corporate Banking achieved a profit before tax of HK\$7,158 million, a decrease of HK\$907 million or 11.2% year-on-year, mainly due to a decrease in net interest income and net fee and commission income, which resulted in a drop in net operating income. This was partially offset by a decrease in net charge of impairment allowances.

Net interest income decreased by 9.9%, mainly due to a narrowing of both the deposit spread and loan spread as a result of intense market competition, although this was partially offset by growth in the average balance of deposits and loans. Net fee and commission income decreased by 12.8%, owing to a drop in loan and bills commissions. Net charge of impairment allowances amounted to HK\$561 million, down HK\$114 million year-on-year.

Business Operations

Actively responding to market changes and steadily advancing corporate banking business development

The Group continued to adhere to its customer-centric philosophy and pushed forward the deepening of its business transformation with the aim of meeting customers' needs, reinforcing integrated services and improving customer experience. In order to address the impact of the COVID-19 pandemic, it actively responded to market changes, devoted efforts to expanding its business and continuously improved its regional and comprehensive service capabilities. During the reporting period, the Group strengthened its support to a number of key projects in Hong Kong and Southeast Asia. It remained the top mandated arranger in the Hong Kong and Macao syndicated loan market and successfully underwrote a number of bond issues with significant market influence. The Group also actively promoted the advancement of green finance so as to ensure sustainable development. Meanwhile, it maintained its market leadership as an IPO main receiving bank in terms of the number of main board listing assignments. In addition, it deepened its business relationships with the world's major central banks, international financial institutions and sovereign funds. It also further pushed forward digital transformation and scenario-based applications by strengthening cooperation with clients in e-payment and payment collection projects, so as to provide more convenient payment channels for customers in a number of aspects including clothing, food, accommodation, necessities and transportation.

Proactively fulfilling social responsibilities and navigating difficult times with its SME customers

The Group continuously improved its support to local commercial customers by enabling integrated digitalised and online financial services, undertaken with the aim of further enhancing service quality. The Group also actively supported its SME customers in view of the pandemic. It took the lead in introducing five financial support initiatives amid the pandemic, including a special loan scheme for SMEs to relieve the pandemic impact featuring an express approval process, as well as a principal moratorium for mortgage loans. It also collaborated with HKMC Insurance Limited to launch the Special 100% Loan Guarantee under the SME Financing Guarantee Scheme, in order to help SMEs affected by the pandemic obtain timely financing for their operations. At the same time, the Group offered full support to the Pre-approved Principal Payment Holiday Scheme, launched by the HKMA, together with the Banking Sector SME Lending Coordination Mechanism, which provided eligible corporate customers with deferred payment arrangements so as to alleviate cash flow pressures.

Management Discussion and Analysis (continued)

Strengthening key customer acquisition in Southeast Asia and the Greater Bay Area and giving full play to synergistic advantages

The Group stepped up efforts to solidify its regional business foundation and collaborated with its Southeast Asian entities to maintain growth momentum on the basis of appropriate risk control. In order to enhance the regional synergies of its Southeast Asian entities, the Group reinforced its integrated marketing efforts with a focus on core customers and key projects. It also bolstered regional collaboration by actively targeting and acquiring major “Belt and Road” clients and projects, including those related to roads and bridges, communication facilities, petroleum and energy, giving full play to its integrated operations in the Southeast Asian region. At the same time, the Group capitalised on its position as BOC’s Asia-Pacific syndicated loan centre by assisting sizable businesses within the Southeast Asian region in arranging syndicated loans, thus deepening business relationships with local mainstream customers. Through regional collaborations, the Group was also able to oversee and facilitate the design, marketing and implementation of sophisticated projects, such as cash management projects, in an integrated and professional manner. In addition, in order to further develop its business in the Guangdong-Hong Kong-Macao Greater Bay Area, the Group continuously deepened its collaboration with BOC’s entities in the Greater Bay Area regarding cross-border transactions, with a view to exploring the financial demands of key industries and target customers, as well as strengthening support for the development of science and technology enterprises, so as to contribute to financial interconnectivity within the Greater Bay Area.

Enhancing product and service competitiveness and striving to improve customer experience

The Group continuously refined its integrated service capabilities in Hong Kong, the Greater Bay Area and Southeast Asia by enhancing its product and service standards for corporate customers and further accelerating the development of its key businesses, including cash management, trade financing and treasury centre, thus securing its market-leading position in cash pooling business. In a bid to encourage diversification in financial product development and fintech innovation, the Group continuously enriched its digitalised products and services and optimised the functionalities of its online service platforms, so as to enhance customer experience. Its excellent and highly professional services were widely recognised by the market. One of its project co-organised with a mobile network provider, which supports the centralised management of global funds, was awarded Asia’s Best Treasury & Finance Strategies in the CT Awards by *CorporateTreasurer*.

Continuously developing custody and trustee businesses

The Group’s custody business effectively responded to market challenges and captured opportunities from the Chinese government’s respective mutual market access policies, Chinese enterprises “Going Global” and the development of the Greater Bay Area. As a result, total assets under custody from corporate and institutional clients reached new heights in June 2020 and total number of Bond Connect clients also continued to rank among the global top tier. The Group was appointed by Bond Connect Company Limited to become a launch member of its first think tank. Meanwhile, it further deepened its cooperation with Chinese investment enterprises and reinforced its business relationships with banks in the Chinese mainland in terms of overseas custody business. It also proactively enhanced its corporate trust and agency service capabilities and received positive market feedback as a result. As at the end of June 2020, the Group’s total assets under custody exceeded HK\$1,226.1 billion.

In the first half of 2020, the MPF business of BOCI-Prudential Trustee Limited (“BOCI-Prudential Trustee”) maintained steady growth and retained its top 5 position in the MPF market. During the first half of 2020, BOCI-Prudential Trustee remained dedicated to exploring new business opportunities alongside its MPF business. It was appointed as trustee to a number of employee share award schemes. In addition, BOCI-Prudential Trustee established a presence across major social media platforms so as to augment its influence through mobile channels and improve customer experience.

Management Discussion and Analysis (continued)

TREASURY

Financial Results

Treasury recorded a profit before tax of HK\$7,169 million, an increase of HK\$2,133 million or 42.4% year-on-year. The growth was driven by an increase in net interest income and net gain on other financial assets, which more than offset the decrease in net fee and commission income and net trading gain.

Net interest income increased by 15.4%, which was mainly attributable to a drop in funding costs. Net trading gain decreased, primarily due to mark-to-market changes to certain debt securities investments and interest rate instruments caused by market interest rate movements, which was partially offset by the mark-to-market changes on foreign exchange products and a higher net gain on financial assets from the disposal of certain debt securities.

Business Operations

Continuously enhancing treasury service capabilities and steadily promoting regional business development

The Group continued to deepen its market research and closely monitored market changes. It actively captured market opportunities and continuously enhanced customer service capabilities in order to achieve solid growth in client business. Leveraging its expertise and competitive edge in distribution channels, it pushed forward business model innovations that drove satisfactory performance in its precious metal trading business. The Group continued to improve its trading infrastructure so as to respond to the impact of the COVID-19 pandemic, enhancing its online service capacity and business scale. It also optimised its regulatory compliance and internal control and achieved solid development in all businesses. During the reporting period, BOCHK received the 2019 Outstanding International Business Award and the Prominent Contribution Award (International Board) from the Shanghai Gold Exchange, in recognition of its excellent performance during the pandemic.

By continuously enhancing its trading, sales, product development and risk control capabilities in regional financial markets, and formulating guidance on business development with reference to the local market conditions and customer demand of its Southeast Asian entities, the Group was able to further improve its integrated regional and professional capabilities in customer service and product development. During the period, the Jakarta Branch and Manila Branch completed significant direct exchange for clients between USD and IDR, and USD and RMB, respectively. BOC Thailand and BOC Malaysia achieved breakthroughs in cross-currency swap and interest rate swap business. The Phnom Penh Branch became the first overseas bank to be appointed by the People's Bank of China as a quoting bank for RMB to Cambodian Riel ("KHR") in the regional market, joined the China Foreign Exchange Trade System and successfully processed the first overseas RMB to KHR direct exchange for its clients.

Leveraging its strong franchise in RMB clearing services to expand the depth and breadth of its cross-border business

In order to support prevention and control measures against the COVID-19 pandemic in the Mainland, BOCHK, as the RMB clearing bank in Hong Kong, activated a special green channel of the Cross-border Interbank Payment System in the Mainland during the 2020 Chinese New Year holidays. Through this channel, it was able to provide cross-border RMB clearing services for donations and payments for the procurement of infectious prevention resources carried out between the Mainland and offshore markets, facilitating the timely arrival of funds. In addition, BOCHK officially joined SWIFT's global payments innovation platform in April 2020 in the capacity of the RMB clearing bank in Hong Kong, further enhancing the transparency and customer experience of its cross-border RMB remittance service. In the first half of 2020, BOC Malaysia was successfully reappointed as the RMB clearing bank and settlement bank in Malaysia, and was awarded 2019 Excellent Member and Media Star by the local chamber of commerce.

Capturing market opportunities and adhering to a proactive but risk-aware investment strategy

In response to market volatility, the Group continued to take a cautious approach to managing its banking book investments by closely tracking market changes. It planned ahead and actively sought investment opportunities to enhance returns while remaining alert to risk. During the first half of the year, the Group strengthened its process management and refined management so as to achieve balanced growth, and optimised its mix of assets and liabilities in order to respond to changes in market interest rates.

Management Discussion and Analysis (continued)

REGIONAL BUSINESS

The Group remained committed to its strategy of building a top-class, full-service and internationalised regional bank and cautiously responded to the impacts of the COVID-19 pandemic and economic downturn. It continued to pursue integrated regional development and adopt effective measures to enhance support to its Southeast Asian entities, with the aim of them becoming mainstream foreign banks in their local markets. In the first half of 2020, the pandemic spread across Southeast Asia, resulting in an economic downturn for countries in the region. Despite the numerous challenges and risks faced by the Southeast Asian entities in this new situation, there are still opportunities ahead for the regional business. The signing of the Regional Comprehensive Economic Partnership is expected to lead to a proliferation of trading activities in the region. The enactment of the Free Trade Agreement signed between Hong Kong and the ASEAN will foster closer cooperation and enhance joint efforts in the construction of the Belt and Road Initiative. In addition, Southeast Asian countries continued to push forward digital transformation, which will bring new development potential to the region, while household consumption and infrastructure investment in the Southeast Asian region will generate remarkable growth potential.

Enhancing regional business network layout and deepening integrated regional development

The Group continued to enhance its regional business network layout. On 9 April 2020, the Group was granted approval by the Central Bank of Myanmar to set up its Yangon Branch in Myanmar. As a result, its Southeast Asian business will cover nine countries in the region, signifying a milestone in the Group's regional development. On 1 March 2020, the Jakarta Branch received approval from the Indonesian regulatory authority to upgrade its status to Commercial Bank Based on Business Activities 3, which significantly improved the Group's market position and brand influence in the country and laid a solid foundation for the Jakarta Branch to become a mainstream foreign bank in Indonesia. The Group also actively developed and implemented its management model and continuously optimised its institutional management in the region, which effectively improved the capacities and standards of its Southeast Asian entities in respect of customer sales, product innovation, technological operations, operational management and staff management.

Net operating income before impairment allowances of the Group's Southeast Asian entities* in the first half of 2020 amounted to HK\$1,304 million, a drop of 6.1% year-on-year. As at the end of June 2020, deposits from customers and advances to customers amounted to HK\$60,380 million and HK\$53,398 million, up 6.7% and 6.0% respectively from the end of last year. The non-performing loan ratio was 1.94%, up 0.43 percentage points from the end of 2019.

* Referring to the eight Southeast Asian entities, including BOC Thailand, BOC Malaysia, Ho Chi Minh City Branch, Manila Branch, Jakarta Branch, Phnom Penh Branch, Vientiane Branch and Brunei Branch. Net operating income before impairment allowances and the balances of deposits from customers and advances to customers represent the consolidated data which were prepared in accordance with Hong Kong Financial Reporting Standards. The non-performing loan ratio was calculated in accordance with local regulatory requirements.

Adhering to stringent risk management so as to comprehensively enhance regional risk control capabilities

The Group steadily pushed forward the construction of its regional risk management by strengthening its Southeast Asian entities' credit risk management capacities and enhancing their market risk, interest rate risk and liquidity risk management capabilities, so as to actively respond to the impacts of the COVID-19 pandemic in the Southeast Asian region. The Group continued to enhance its Southeast Asian entities' legal compliance and operational risk management capabilities, while steadily strengthening their management control on outsourcing services. In addition, the Group reinforced its Southeast Asian entities' anti-money laundering work in order to continuously enhance related management standards. Moreover, the Group closely monitored significant emergency events in Southeast Asia, responding with agility to uplift its entities' capabilities, while coordinating their business continuity planning so as to ensure adherence to stringent risk management.

Management Discussion and Analysis (continued)

DIGITAL TRANSFORMATION DEVELOPMENT

The Group is engaged in deepening its application of innovative fintech, accelerating its digital transformation progress, promoting business process digitalisation, and improving operational efficiency. Its digital transformation is driven by top-level design, in line with the established Digital Transformation Blueprint of BOCHK and the new IT 3-Year Plan. By focusing on the five key digital capabilities of innovation, agility, digitisation, mobility, and regionalisation, it aims to establish three catalysing platforms, namely an intelligent platform, a digital platform and an open platform, to provide a stable, reliable and unified cornerstone for cloud technology and security governance. At the same time, the Group is actively acquiring and cultivating innovative fintech talents, as well as developing innovation mechanisms, organisational structures and corporate cultures to support its digital transformation. Based on technology-driven business reform, it provides brand-new digital solutions in customer services, financial products, service flows, operational management and risk control, with the aim of gradually becoming a digital bank characterised by business ecologies, process digitalisation, intelligent operations, agile project management, and cloud computing.

Building business ecologies

The Group actively deepened scenario-based applications and accelerated their integration into customer ecosystems. Through cross-sector cooperation, it facilitated fintech development and opened up access to more than 90 open APIs. In February 2020, the Group joined hands with a major real estate agency to launch an online real-time property valuation service via API, which was used over 1 million times up to the end of June. In addition, it cooperated with two stock quoting platforms to offer cross-platform mobile banking stock trading services for Hong Kong stocks, US stocks and A shares. To meet the needs for clothing, food, accommodation and transportation, the Group continued to provide the most comprehensive full collection solutions through BoC Bill, including the usage of traditional bank cards, QR code and Octopus card services, covering industries (including SMEs) relating to people's livelihood. BoC Bill, together with BoC Pay, was able to support scenarios involving livelihood-related payments, allowing merchants and individual customers to enjoy cashless and contactless electronic payment services. The total number of customers of BoC Pay increased by 44.2% from the end of last year, while related transaction volumes also recorded a satisfactory growth compared to the same period last year. The Group continued to optimise BoC Pay by launching a cross-border small amount transfer function to support instant money transfer, further enriching the payment scenarios in the Greater Bay Area.

Digitalising processes

To meet rapid growth in customer demand for online transactions, the Group adopted a mobile first strategy by expanding the personal account opening service of its mobile banking to non-BOCHK customers, which significantly shortened transaction times for basic banking services. Its property valuation process was optimised through the application of blockchain technology, which covered almost 95% of the Group's total property valuations as at the end of June 2020, an increase of 13 percentage points from the end of last year. The Group continually optimised the business processes of its digitalised services. It constantly upgraded its intelligent Global Transaction Banking Platform (iGTB) with functional enhancements, increased its marketing efforts, and extended its services to the Southeast Asian region, so as to enhance its regional online service capabilities. The Group also stepped up its efforts to link eTradeConnect, an innovative trade finance platform in Hong Kong, with the trade finance platform of the People's Bank of China, with the aim of enhancing digitalisation capabilities in trade finance and promoting cross-border information exchange efficiency. Robotic process automation ("RPA") was further extended in the handling of middle and back office operational procedures, which effectively automated operational procedures, reduced processing time and enhanced staff productivity.

Management Discussion and Analysis (continued)

Moving towards intelligent operations

The Group introduced ID card verification technology and continuously enhanced facial recognition and optical character recognition (“OCR”) technology in order to improve the efficiency and accuracy of mobile account opening, providing a solid infrastructure platform for services in Hong Kong and Southeast Asia. The Group continued to enhance its core banking services, with the introduction of an electronic account opening application service for SMEs, in order to improve account opening efficiency and customer experience. The Group utilised data analysis in its mortgage business and adopted an automatic approval process for qualifying personal residential mortgage loan applications, in order to improve approval efficiency. The Group accelerated the construction of intelligent customer services through chatbot and online chat services to facilitate the transition of customer services from manual to online. Supporting the construction of a bank-wide intelligent anti-fraud platform, it enhanced the capabilities in fraud case detection and remedy in order to fully strengthen the anti-fraud risk management. In response to the pandemic, a mobile office solution was introduced to support staff working from home.

Adopting agile project management

Dedicated to deepening the adoption of agile working model and culture, the Group implemented an agile approach to project development and constantly refined its business workflow in a customer-centric approach. It also established an innovative agile mechanism and system, with the aim of ensuring that digital transformation is undertaken in an orderly and effective manner. With the aim of facilitating digitalisation and agile transformation, the Group drew up the plans for agile team formation and development that will further uplift the effective organisation and operation of inter-departmental agile project teams. To enhance talent acquisition for technological innovation, the Group expanded its recruitment channels to attract talented professionals with expertise in big data, artificial intelligence, fintech, digital marketing and quantitative trading. It also continued to cultivate fintech talents and established the Digital and Innovation Academy. In line with its digital transformation, the Group’s 2020 corporate culture development plan will focus on “encouraging innovative thinking and building an agile culture that is responsive, collaborative and efficient”.

Moving towards cloud computing

Having introduced mainstream cloud technology to the banking industry, the Group utilised virtual technology to establish a cloud computing platform. It gradually established a cloud service model in the area of software development, so as to improve the flexibility and scalability of its systems, and gradually deployed customer-oriented application systems on its cloud computing platform in order to improve service efficiency and reduce operating costs.

Management Discussion and Analysis (continued)

RISK MANAGEMENT

Overview

The Group believes that sound risk management is crucial to the success of any organisation. In its daily operation, the Group attaches a high degree of importance to risk management and emphasises that a balance must be struck between risk control and business development. The principal types of risk inherent in the Group's businesses are credit risk, market risk, interest rate risk, liquidity risk, operational risk, reputation risk, legal and compliance risk, and strategic risk. The Group's risk management objective is to enhance shareholder value by maintaining risk exposures within acceptable limits. The Group has a defined risk appetite statement approved by the Board, which is an expression of the types and level of risk that the Group is willing to take in a controllable way in order to achieve its business goals and to meet the expectations of its stakeholders.

Risk management governance structure

The Group's risk management governance structure is designed to cover all business processes and ensures various risks are properly managed and controlled in the course of conducting business. The Group has a robust risk management organisational structure with a comprehensive set of policies and procedures to identify, measure, monitor and control various risks that may arise. These risk management policies and procedures are regularly reviewed and updated to reflect changes in markets and business strategies. Various groups of risk takers assume their respective responsibilities for risk management.

The Board of Directors, representing the interests of shareholders, is the highest decision-making authority of the Group and has the ultimate responsibility for risk management. The Board, with the assistance of its committees, has the primary responsibility for the formulation of risk management strategies, risk appetite and risk culture and ensuring that the Group has an effective risk management system to implement these strategies.

The Risk Committee ("RMC"), a standing committee established by the Board of Directors, is responsible for overseeing the Group's various types of risks, approving Level I risk management policies and monitoring their implementation, and approving significant or high risk exposures or transactions. The Audit Committee assists the Board in fulfilling its role in overseeing the internal control system.

The Chief Executive ("CE") is responsible for managing the Group's various types of risks, and approving material risk exposures or transactions within his authority delegated by the Board of Directors. The Deputy Chief Executives ("DCEs") assist the CE in fulfilling his responsibilities on the day-to-day management of various types of risk, and are responsible for approving material risk exposures or transactions within their authorities delegated by the CE. The Deputy Chief Executive in charge of legal, compliance, operational risk and anti-money laundering together with the Chief Risk Officer ("CRO") assist CE in fulfilling his responsibilities on day-to-day management of various types of risks and internal control. The CRO is responsible for initiating new risk management strategies, projects and measures in response to regulatory changes that will enable the Group to better monitor and manage any risks that may arise from time to time from new businesses, products and changes in the operating environment. The CRO is also responsible for reviewing material risk exposures or transactions within his delegated authority. In accordance with the principle of setting the hierarchy of risk management policies approved by the Board, senior management is also responsible for approving the detailed risk management policies of their responsible areas.

Various units of the Group have their respective risk management responsibilities. Business units act as the first line of defence while risk management units, which are independent from the business units, are responsible for the day-to-day management of different kinds of risks. Risk management units have the primary responsibility for drafting, reviewing and updating various risk management policies and procedures.

The Group's principal banking subsidiaries are subject to risk management policies that are consistent with those of the Group. Risk management units of BOCHK monitor the risk management status of these subsidiaries.

Management Discussion and Analysis (continued)

Credit risk management

Credit risk is the risk of loss that a customer or counterparty is unable to or unwilling to meet its contractual obligations. Credit risk exists in the trading book and banking book, as well as from on- and off-balance sheet transactions of the Group. It arises principally from lending, trade finance and treasury businesses. The Chief Credit Officer, who reports directly to the CRO, takes charge of credit risk management and is also responsible for the control of credit risk exposures of subsidiaries in line with the credit risk management principles and requirements set by the Group.

For advances, different credit approval and control procedures are adopted according to the level of risk associated with the customer, counterparty or transaction. The Credit Risk Assessment Committee, comprising experts from credit and other functions, is responsible for making an independent assessment of material credit applications which require the approval of DCEs or above. Credit applications for non-retail exposures are independently reviewed and objectively assessed by risk management units. Obligor ratings (in terms of probability of default) and facility ratings (in terms of loss given default) are assigned to these portfolios to support credit approval. Retail internal rating systems are deployed in the risk assessment of retail credit transactions, including small business loans under retail exposures, residential mortgage loans, personal loans and credit cards. Loan grades, obligor and facility ratings as well as loss estimates (if applicable) are used to support credit approval.

The Group also uses loan grades, obligor ratings and loss estimates (if applicable) to support credit monitoring, reporting and analysis of credit risk information. For non-retail exposures, more frequent rating review and closer monitoring are required for higher-risk customers. For retail exposures, monthly updated internal ratings and loss estimates are used for credit monitoring on a portfolio basis. More comprehensive review is required for obligors being identified under high-risk pools. The Group adopts loan grading criteria which divide credit assets into five categories with reference to the HKMA's guidelines. The Risk Management Department ("RMD") provides regular credit management information reports and ad hoc reports to the Management Committee ("MC"), RMC and Board of Directors to facilitate their continuous monitoring of credit risk. In addition, the Group identifies credit concentration risk by industry, geography, customer and counterparty. The Group monitors changes to counterparty credit risk, quality of the credit portfolio and credit risk concentrations, and reports regularly to the Group's Management.

The Group employs an internal master rating scale that can be mapped to Standard & Poor's external credit ratings. The structure of internal master rating scale is in compliance with the requirement of the Banking (Capital) Rules under the Hong Kong Banking Ordinance.

For investments in debt securities and securitisation assets, the obligor ratings or external credit ratings, assessment of the underlying assets and credit limits setting on customer/security issuer basis are used for managing credit risk associated with the investment. For derivatives, the Group sets customer limits to manage the credit risk involved and follows the same approval and control processes as applied for advances. On-going monitoring and stop-loss procedures are established.

For impairment assessment, an impairment model is introduced in compliance with HKFRS 9, it requires the recognition of Expected Credit Loss ("ECL") for financial instrument held at amortised cost and fair value through other comprehensive income. Under HKFRS 9, ECL is assessed in three stages and the financial assets and loan commitments are classified in one of the three stages.

Stage 1: if the financial instrument is not credit-impaired upon origination and the credit risk on the financial instrument has not increased significantly since initial recognition, the loss allowance is measured at an amount up to 12-month ECL;

Stage 2: if the financial instrument is not credit-impaired upon origination but the credit risk on the financial instrument has increased significantly since initial recognition, the loss allowance is measured at an amount equal to the lifetime ECL;

Stage 3: if the financial instrument is credit-impaired, with one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred, the loss allowance is also measured at an amount equal to the lifetime ECL.

The Group has established the significant credit deterioration criteria framework to determine the stage of the financial instrument. The framework incorporates both quantitative and qualitative assessment, taking into account of factors such as number of days past due, change in IRB rating and the watchlist.

Management Discussion and Analysis (continued)

The Group leverages the parameters implemented under Basel II Internal Ratings-Based (“IRB”) models and internal models where feasible and available to assess ECL. For the portfolios without models, all other reasonable and supportable information such as historical information, relevant loss experience or proxies are utilised. The measurement of ECL is the product of the financial instrument’s probability of default (“PD”), loss given default (“LGD”) and exposure at default (“EAD”) discounted at the effective interest rate to the reporting date.

ECL is measured at an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes, the time value of money and reasonable and supportable information about past events, current conditions and forecasts of future economic conditions. The Group adopts three economic scenarios in the ECL measurement to meet the requirements of HKFRS 9. The “Baseline” scenario represents a most likely outcome and the other two scenarios, referred to as “Good” scenario and “Bad” scenario, represent less likely outcomes which are more optimistic or more pessimistic compared to Baseline scenario.

RMC is responsible for approving ECL methodology and the Management is responsible for the ECL model implementation. Credit Risk Management is responsible for the maintenance of ECL methodology including models review and parameters update on a regular basis. Independent Model Validation Team is responsible for the annual validation of ECL models. If there is any change in ECL methodology, the Group will follow the proper approval process.

Market risk management

Market risk refers to the risk of loss arising from movements in the value of foreign exchange, interest rate, equity and commodity positions held by the Group due to the volatility of financial market price (foreign exchange rate, interest rate, equity price, commodity price). The Group adopts a moderate market risk appetite to achieve a balance between risk and return. The Group’s objective in managing market risk is to secure healthy growth of the treasury business, by the effective management of potential market risk in the Group’s business, according to the Group’s overall risk appetite and strategy of the treasury business on the basis of a well-established risk management regime and related management measures.

In accordance with the Group’s corporate governance principles in respect of risk management, the Board and RMC, senior management and functional departments/units perform their duties and responsibilities to manage the Group’s market risk. The RMD is responsible for the Group’s market risk management, assisting senior management to perform their day-to-day duties, independently monitoring the market risk profile and compliance of management policies and limits of the Group and BOCHK, and ensuring that the aggregate and individual market risks are within acceptable levels.

The Group’s market risk management covers BOCHK and its subsidiaries. The Group establishes market risk management policies to regulate BOCHK’s and its subsidiaries’ market risk management; meanwhile, the Group sets up the Group’s VaR and stress test limits, which are allocated and monitored across the Group according to the business requirements and risk tolerance levels. In line with the requirements set in the Group’s policy, the subsidiaries formulate the detailed policies and procedures and are responsible for managing their daily market risk.

The Group sets up market risk indicators and limits to identify, measure, monitor and control market risk. Major risk indicators and limits include but are not limited to VaR, Stop Loss, Open Position, Stress Testing and Sensitivity Analysis (Basis Point Value, Greeks), etc. To meet management’s requirements, major risk indicators and limits are classified into four levels, and are approved by the RMC, MC, CRO and the DCE in charge of the treasury business or the head of the respective business unit respectively. The treasury business units of BOCHK and subsidiaries (as for Group Limit) are required to conduct their business within approved market risk indicators and limits.

The Group uses the VaR to measure and report general market risks to the RMC and senior management on a periodic basis. The Group adopts a uniformed VaR calculation model, using a historical simulation approach and two years of historical market data, to calculate the VaR of the Group and its subsidiaries over a one-day holding period with a 99% confidence level, and sets up the VaR limit of the Group and its subsidiaries.

The Group adopts back-testing to measure the accuracy of VaR model results. The back-testing compares the calculated VaR figure of market risk positions of each business day with the actual and hypothetical gains or losses arising from those positions on the next business day. Generally speaking, the number of back-testing exceptions in a rolling 12-month period will not exceed four times, given a 99% confidence level.

Management Discussion and Analysis (continued)

Interest rate risk management

Interest rate risk means the risks to a bank's earnings and economic value arising from movements in interest rate and term structures of the bank's asset and liability positions. The Group's interest rate risk exposures are mainly structural. The major types of interest rate risk from structural positions are:

- Gap risk: mismatches in the maturity or repricing periods of assets and liabilities that may affect net interest income and economic value;
- Basis risk: different pricing basis for different transactions resulting that the yield on assets and cost of liabilities may change by different amounts within the same repricing period; and
- Option risk: exercise of the options embedded in assets, liabilities or off-balance sheet items that can cause a change in the cash flows of assets and liabilities.

The Group's risk management framework applies also to interest rate risk management. The Asset and Liability Management Committee ("ALCO") exercises its oversight of interest rate risk in accordance with the "BOCHK Group Banking Book Interest Rate Risk Management Policy" approved by the RMC. The RMD is responsible for the Group's interest rate risk management. With the cooperation of the Financial Management Department and Investment Management, etc., RMD assists the ALCO to perform day-to-day interest rate risk management. Its roles include, but are not limited to, the formulation of management policies, selection of methodologies, setting of risk indicators and limits, assessment of target balance sheet, monitoring of the compliance with policies and limits, and submission of interest rate risk management reports to senior management and the RMC, etc.

The Group sets out interest rate risk indicators and limits to identify, measure, monitor and control interest rate risk on a daily basis. The indicators and limits include, but are not limited to, repricing gap limits, basis risk, duration, price value of a basis point ("PVBP"), net interest income sensitivity ratio ("NII"), economic value sensitivity ratio ("EV"), etc. The indicators and limits are classified into different levels, which are approved by the CFO, CRO, ALCO and RMC accordingly. Risk-taking business units are required to conduct their business within the boundary of the interest rate risk limits. Before launching a new product or business in the banking book, the relevant departments are required to go through a risk assessment process, which includes the assessment of underlying interest rate risk and consideration of the adequacy of current risk monitoring mechanism. Any material impact on interest rate risk noted during the risk assessment process will be submitted to the RMC for approval.

NII and EV assess the impact of interest rate movement on the Group's net interest income and capital base. They are the Group's key interest rate risk indicators. The former assesses the impact of interest rate movement on net interest income as a percentage to the projected net interest income for the year. The latter assesses the impact of interest rate movement on economic value (i.e. the net present value of cash flows of assets, liabilities and off-balance sheet items discounted using the market interest rate) as a percentage to the latest Tier 1 capital. Limits are set by the RMC on these two indicators to monitor and control the Group's banking book interest rate risk.

The Group uses scenario analyses and stress tests to assess the banking book interest rate risk that the Group would face under adverse circumstances. Scenario analyses and stress tests are also used to assess the impact on net interest income and economic value arising from the optionality of savings deposits, the prepayment of mortgage loans and the prepayment of debt securities with embedded options.

Liquidity risk management

Liquidity risk is the risk that banks may not be able to obtain sufficient and timely funding at a reasonable cost to meet their obligations as they fall due. The Group maintains a sound liquidity risk appetite to provide stable, reliable and adequate sources of cash to meet liquidity needs under normal circumstances or stressed scenarios; and to survive with net positive cumulative cash flow in extreme scenarios.

In accordance with the Group's corporate governance principles in respect of risk management, the Board and the RMC, senior management and functional departments/units perform their duties and responsibilities to manage the Group's liquidity risk. The RMC is the decision-making authority of liquidity risk management, and assumes the ultimate responsibility of liquidity risk management. As authorised by the RMC, ALCO exercises its oversight of liquidity risk and ensures the daily operations of the Group are in accordance with the risk appetite and policies as set by the RMC. The RMD is responsible for the Group's liquidity risk management. It cooperates with the Financial Management Department and Investment Management, etc. to assist the ALCO to perform liquidity management functions according to their specific responsibilities.

Management Discussion and Analysis (continued)

The Group's liquidity risk management objective is to effectively manage the liquidity of on- and off-balance sheet items with a reasonable cost based on the liquidity risk appetite to achieve sound operation and sustainable profitability. Deposits from customers are the Group's primary source of funds. To ensure stable and sufficient sources of funds are in place, the Group actively attracts new deposits, keeps the core deposit and obtains supplementary funding from the interbank market and by issuing bills in the capital market. According to different term maturities and the results of funding needs estimated from stressed scenarios, the Group adjusts its asset structure (including loans, bonds investment, interbank placement, etc.) to maintain sufficient liquid assets which provides adequate funds in support of normal business needs and ensure its ability to raise funds at a reasonable cost to serve external claims in case of emergency. The Group is committed to diversify the sources, tenors and use of funding to avoid excessive concentration of assets and liabilities; and prevent triggering liquidity risk due to the break of funding strand resulting from over-concentration of sources and use of funding in a particular area where problems occur. In order to manage such risk, the Group sets concentration limits on collateral pools and sources of funding such as Tier 1 high-quality readily liquefiable assets to total high-quality readily liquefiable assets ratio, top ten depositors ratio and large depositors ratio. Whenever necessary, the Group could improve the liquidity position by taking mitigation actions including, but not limited to obtaining funding through interbank borrowings or repos in the money market, selling bonds in the secondary market or retaining existing and attracting new customer deposits. Apart from increasing the funding, the Group would maintain good communication with the counterparties, the parent bank and the regulators to enhance mutual confidence.

The Group has established intra-group liquidity risk management guidelines to manage the liquidity funding among different entities within the Group, and to restrict their reliance of funding on each other. The Group also pays attention to manage liquidity risk created by off-balance sheet activities, such as loan commitments, derivatives, options and other complex structured products. The Group has an overall liquidity risk management strategy to cover the liquidity management of foreign currency assets and liabilities, collateral, intra-day liquidity, intra-group liquidity, the liquidity risk arising from other risks, etc., and has formulated corresponding contingency plan.

The Group established liquidity risk management indicators and limits to identify, measure, monitor and control liquidity risk on a daily basis. These indicators and limits include, but are not limited to liquidity coverage ratio ("LCR"), net stable funding ratio ("NSFR"), loan-to-deposit ratio, Maximum Cumulative Cash Outflow ("MCO") and liquidity cushion. The Group applies a cash flow analysis to assess the Group's liquidity condition under normal conditions and also performs a liquidity stress test (including institution specific, general market crisis and combined crisis) and other methods at least on a monthly basis to assess the Group's capability to withstand various severe liquidity crises. Also, relevant management information systems such as the Assets and Liabilities Management System and the Basel Liquidity Ratio Management System are developed to provide data and to prepare for regular management reports to facilitate liquidity risk management duties.

In accordance with the requirements of Supervisory Policy Manual LM-2 "Sound Systems and controls for Liquidity Risk Management" issued by the HKMA, the Group has implemented a behaviour model and assumptions of cash flow analysis and stress test to enhance the Group's cash flow analysis under both normal and stressed conditions. In cash flow analysis under normal circumstances, assumptions have been made relating to on-balance sheet items (such as deposits from customers) and off-balance sheet items (such as loan commitments). According to various characteristics of the assets, liabilities and off-balance sheet items, the Group forecasts the future cash flow based on the contractual maturity date and the assumptions of customer behaviour and balance sheet changes. The Group establishes the MCO indicator which predicts the future 30 days maximum cumulative net cash outflow in normal situations based on the above assumptions, to assess if the Group has sufficient financing capacity to meet the cash flow gap in order to achieve the objective of continuing operations.

In the liquidity stress test, institution specific, general market crisis and combined crisis scenarios have been set up, a combined crisis scenario is a combination of institution specific and general market crisis to assess the Group's capability to withstand a more severe liquidity crisis, with a more stringent set of assumptions being adopted. Stress test assumptions include the run-off rate of retail, wholesale and interbank deposits; the drawdown rate of loan commitments and trade-related contingent liabilities; the delinquency ratio and rollover rate of customer loans; and haircut of interbank placement and marketable securities. As at 30 June 2020, the Group was able to maintain a net cash inflow under the three stressed scenarios, indicating the Group has the ability to meet financing needs under stressed conditions. In addition, the Group has a policy in place to maintain a liquidity cushion which includes high quality or comparable quality marketable securities issued or guaranteed by sovereigns, central banks, public sector entities or multilateral development banks with 0% or 20% risk weight or marketable securities issued by non-financial corporate with a corresponding external credit rating of A- or above to ensure funding needs even under stressed scenarios. A contingency plan is being established which details the conditions to trigger the plan based on stress test results and early warning indicators, the action plans and relevant procedures and responsibility of relevant departments.

Management Discussion and Analysis (continued)

The Group, being classified as a category 1 authorised institution by the HKMA, is required to calculate the LCR and NSFR on a consolidated basis in accordance with the Banking (Liquidity) Rules. The Group is required to maintain a LCR and NSFR not less than 100% in 2020.

In certain derivative contracts, the counterparties have the right to request from the Group additional collateral if they have concerns about the Group's creditworthiness.

The Group's liquidity risk management also covers new products or business developments. Before launching a new product or business, the relevant departments are required to go through a risk assessment process, which includes the assessment of underlying liquidity risk and consideration of the adequacy of the current risk management mechanism. Any material impact on liquidity risk noted during the risk assessment process will be reported to the RMC for approval.

The Group has established a set of uniform liquidity risk management policies which serve as standards and guidance to all the Group's members for liquidity risk management. On the basis of the Group's uniform policies, each of the subsidiaries develops its own liquidity management policies according to its own characteristics, and assumes its own liquidity risk management responsibility. Subsidiaries are required to report their respective liquidity positions with relevant liquidity ratios on a regular basis to the RMD of BOCHK, which consolidates this information and evaluates group-wide liquidity risk to ensure relevant requirements are satisfied.

Operational risk management

Operational risk is the risk of loss resulting from inadequate or failed internal process, people and system, or from external events. The risk is inherent in every aspect of business operations and confronted by the Group in its day-to-day operational activities.

The Group has implemented the "Three Lines of Defence" for its operational risk management. All departments or functional units as the first line of defence are the first parties responsible for operational risk management, and carry out the duties and functions of self risk control in the process of business operation through self assessment and self enhancement. The Legal & Compliance and Operational Risk Management Department ("LCO"), together with certain specialist functional units in relation to operational risk management within the Group, including the Human Resources Department, Corporate Services Department, Financial Crime Compliance Department, Financial Management Department, Treasury and General Accounting & Accounting Policy Department (collectively known as "specialist functional units"), are the second line of defence. They are responsible for assessing and monitoring the operational risk conditions in the first line of defence, and providing them with guidance. The LCO, being independent from the business units, is responsible for assisting the Management in managing the Group's operational risk, including the establishment and review of the operational risk management policy and framework, designing the operational risk management tools and reporting mechanism, and assessing and reporting the overall operational risk position to the Management and RMC. Specialist functional units are required to carry out their managerial duties of the second line of defence with respect to some specific aspects of operational risk and its related issues. Besides taking charge of operational risk management in their own units, these units are also required to provide other units with professional advice/training in respect of certain operational risk categories and to lead the group-wide operational risk management. Group Audit is the third line of defence which provides independent assessment to the effectiveness and adequacy of the operational risk management framework and is required to conduct periodic audit of the operational risk management activities of various departments or functional units within the Group regarding their compliance and effectiveness and to put forward recommendations for remedial actions.

The Group has put in place an effective internal control process which requires the establishment of policies and control procedures for all the key activities. The Group adheres to the fundamental principle of proper segregation of duties and authorisation. The Group adopts various operational risk management tools or methodologies such as key risk indicators, self-assessment, operational risk events reporting and review to identify, assess, monitor and control the risks inherent in business activities and products, as well as purchase of insurance to mitigate unforeseeable operational risks. Business continuity plans are established to support business operations in the event of an emergency or disaster. Adequate backup facilities are maintained and periodic drills are conducted.

Management Discussion and Analysis (continued)

Reputation risk management

Reputation risk is the risk that negative publicity about the Group's business practices, whether genuine or not, will cause a potential decline in the customer base, or lead to costly litigation or revenue decrease. Reputation risk is inherent in other types of risk and every aspect of business operation and covers a wide spectrum of issues.

In order to mitigate reputation risk, the Group has formulated and duly followed its Reputation Risk Management Policy. The policy aims to identify and prevent reputation risk proactively at an early stage when an incident occurs. Since reputation risk is often caused by various types of operational and strategic issues that negatively impact the trust and perception of the Group, all operational and key risks identified are assessed through the established Key Control Self-Assessment framework, including risk assessment tools, to evaluate the severity of their impact on the Group, including the damage to reputation.

In addition, the Group has put in place a comprehensive framework to continuously monitor reputation risk incidents in the financial industry. This continuous monitoring enables the Group to effectively manage, control and mitigate any potential adverse impact from an incident. The Group also adopts robust disclosure practices to keep our stakeholders informed at all times, which helps build confidence in the Group and establish a strong public image.

Legal and compliance risk management

Legal risk is the risk that unenforceable contracts, lawsuits or adverse judgments may disrupt or otherwise negatively affect the operations or financial conditions of the Group. Compliance risk is the risk of legal or regulatory sanctions, financial losses or losses in reputation the Group may suffer as a result of its failure to comply with applicable laws and regulations. Legal and compliance risks are managed by the LCO, while the risks related to money laundering, terrorist financing, fraud, bribery and corruption are independently managed and monitored by the Financial Crime Compliance Department ("FCC"). Both LCO and FCC report directly to the DCE. As part of the Group's corporate governance framework, the policies for the management of legal and compliance risks, and money laundering, terrorist financing and financial crime compliance risks are approved by the RMC as delegated by the Board.

Strategic risk management

Strategic risk generally refers to the risks that may cause current or future negative impacts on the earnings, or capital or reputation or market position of the Group because of poor business decisions, improper implementation of strategies and inadequacies in the response to the changing market condition. The Board reviews and approves the strategic risk management policy. Key strategic issues have to be fully evaluated and properly endorsed by the senior management and the Board.

The Group regularly reviews its business strategies to cope with the latest market situation and developments.

Capital management

The major objective of the Group's capital management is to maximise total shareholders' return while maintaining a capital adequacy position in relation to the Group's overall risk profile. ALCO periodically reviews the Group's capital structure and adjusts the capital mix where appropriate to maintain an optimal balance among risk, return and capital adequacy.

To comply with the HKMA's requirements as stated in the Supervisory Policy Manual "Supervisory Review Process", the Group adopts the internal capital adequacy assessment process ("ICAAP") and reviews it annually. Based on the HKMA's guidelines on Pillar II, ICAAP has been initiated to assess the extra capital needed to cover the material risks not captured or not adequately captured under Pillar I, and therefore minimum Common Equity Tier 1 capital ratio, minimum Tier 1 capital ratio and minimum Total capital ratio are determined. Meanwhile, operating ranges for the aforementioned capital ratios have also been established which enable the flexibility for future business growth and efficiency of capital utilisation.

Stress testing

The Group supplements the analysis of various types of risks with stress testing. Stress testing is a risk management tool for estimating risk exposures under stressed conditions arising from extreme but plausible market or macroeconomic movements. These tests are conducted on a regular basis by the Group's various risk management units in accordance with the principles stated in the Supervisory Policy Manual "Stress-testing" published by the HKMA. The ALCO monitors the results against the key risk limits approved by the RMC. The Financial Management Department reports the combined stress test results of the Group to the Board and RMC regularly.

簡要綜合收益表

Condensed Consolidated Income Statement

		(未經審計) (Unaudited)	(未經審計) (Unaudited)
		半年結算至 2020年 6月30日 Half-year ended 30 June 2020	半年結算至 2019年 6月30日 Half-year ended 30 June 2019
	附註 Notes	港幣百萬元 HK\$m	港幣百萬元 HK\$m
利息收入	Interest income	27,217	32,034
利息支出	Interest expense	<u>(10,289)</u>	<u>(13,712)</u>
淨利息收入	Net interest income	5 16,928	18,322
服務費及佣金收入	Fee and commission income	6,836	8,232
服務費及佣金支出	Fee and commission expense	<u>(1,129)</u>	<u>(1,765)</u>
淨服務費及佣金收入	Net fee and commission income	6 5,707	6,467
淨交易性收益	Net trading gain	7 2,323	2,241
其他以公平值變化計入損益之金融工具淨收益	Net gain on other financial instruments at fair value through profit or loss	8 153	125
其他金融資產之淨收益	Net gain on other financial assets	9 2,506	727
其他經營收入	Other operating income	10 366	382
提取減值準備前之淨經營收入	Net operating income before impairment allowances	27,983	28,264
減值準備淨撥備	Net charge of impairment allowances	11 <u>(1,343)</u>	<u>(791)</u>
淨經營收入	Net operating income	26,640	27,473
經營支出	Operating expenses	12 <u>(7,331)</u>	<u>(7,277)</u>
經營溢利	Operating profit	19,309	20,196
投資物業處置/公平值調整之淨(虧損)/收益	Net (loss)/gain from disposal of/fair value adjustments on investment properties	13 (515)	663
處置/重估物業、器材及設備之淨(虧損)/收益	Net (loss)/gain from disposal/revaluation of properties, plant and equipment	14 (3)	1
應佔聯營公司及合資企業之稅後溢利扣減虧損	Share of profits less losses after tax of associates and joint ventures	25	53
除稅前溢利	Profit before taxation	18,816	20,913
稅項	Taxation	15 <u>(3,026)</u>	<u>(3,221)</u>
期內溢利	Profit for the period	15,790	17,692
應佔溢利：	Profit attributable to:		
本銀行股東	Equity holders of the Bank	15,704	17,610
非控制權益	Non-controlling interests	86	82
		<u>15,790</u>	<u>17,692</u>
股息	Dividends	16 <u>4,735</u>	<u>5,639</u>

第 63 至 170 頁之附註屬本中期財務資料之組成部分。

The notes on pages 63 to 170 are an integral part of this interim financial information.

簡要綜合全面收益表

Condensed Consolidated Statement of Comprehensive Income

		(未經審計) (Unaudited)	(未經審計) (Unaudited)
		半年結算至 2020年 6月30日 Half-year ended 30 June 2020	半年結算至 2019年 6月30日 Half-year ended 30 June 2019
	附註 Notes	港幣百萬元 HK\$m	港幣百萬元 HK\$m
期內溢利	Profit for the period	15,790	17,692
其後不可重新分類至收益表內的項目：	Items that will not be reclassified subsequently to income statement:		
房產：	Premises:		
房產重估	Revaluation of premises	(538)	1,061
遞延稅項	Deferred tax	109	(134)
		(429)	927
以公平值變化計入其他全面收益之股權工具：	Equity instruments at fair value through other comprehensive income:		
公平值變化	Change in fair value	(41)	85
遞延稅項	Deferred tax	6	1
		(35)	86
自身信貸風險：	Own credit risk:		
界定為以公平值變化計入損益之金融負債的自身信貸風險之公平值變化	Change in fair value of own credit risk of financial liabilities designated at fair value through profit or loss	1	(48)
遞延稅項	Deferred tax	-	7
		1	(41)
		(463)	972

簡要綜合全面收益表
(續)

Condensed Consolidated Statement of Comprehensive Income (continued)

		(未經審計) (Unaudited)	(未經審計) (Unaudited)
		半年結算至 2020年 6月30日	半年結算至 2019年 6月30日
	附註 Notes	Half-year ended 30 June 2020	Half-year ended 30 June 2019
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
其後可重新分類至收益表內的項目：	Items that may be reclassified subsequently to income statement:		
以公平值變化計入其他全面收益之債務工具：	Debt instruments at fair value through other comprehensive income:		
公平值變化	Change in fair value	4,022	3,845
減值準備變化借記收益表	Change in impairment allowances charged to income statement	11	71
因處置／贖回之轉撥重新分類至收益表	Release upon disposal/redemption reclassified to income statement	9	(2,518)
公平值對沖調整累計金額之攤銷重新分類至收益表	Amortisation of accumulated amount of fair value hedge adjustment reclassified to income statement	2	7
遞延稅項	Deferred tax	(248)	(511)
		1,329	2,645
貨幣換算差額	Currency translation difference	(369)	161
		960	2,806
期內除稅後其他全面收益	Other comprehensive income for the period, net of tax	497	3,778
期內全面收益總額	Total comprehensive income for the period	16,287	21,470
應佔全面收益總額：	Total comprehensive income attributable to:		
本銀行股東	Equity holders of the Bank	16,201	21,388
非控制權益	Non-controlling interests	86	82
		16,287	21,470

第63至170頁之附註屬本中期財務資料之組成部分。

The notes on pages 63 to 170 are an integral part of this interim financial information.

簡要綜合資產負債表 Condensed Consolidated Balance Sheet

	附註 Notes	(未經審計) (Unaudited)	(經審計) (Audited)
		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
資產			
ASSETS			
庫存現金及在銀行及其他金融機構之結餘及定期存放	17	409,239	366,636
以公平值變化計入損益之金融資產	18	31,367	46,662
衍生金融工具	19	44,379	31,167
香港特別行政區政府負債證明書		175,330	163,840
貸款及其他賬項	20	1,509,660	1,412,501
證券投資	21	751,414	739,335
聯營公司及合資企業權益		644	619
投資物業	22	19,889	20,428
物業、器材及設備	23	49,780	51,173
應收稅項資產		34	45
遞延稅項資產	29	63	63
其他資產	24	73,915	42,085
資產總額		3,065,714	2,874,554
負債			
LIABILITIES			
香港特別行政區流通紙幣		175,330	163,840
銀行及其他金融機構之存款及結餘		270,231	267,657
以公平值變化計入損益之金融負債	25	10,858	19,206
衍生金融工具	19	53,066	32,833
客戶存款	26	2,147,854	2,014,092
已發行債務證券及存款證	27	-	116
其他賬項及準備	28	97,756	66,945
應付稅項負債		6,199	7,906
遞延稅項負債	29	6,297	6,375
後償負債	30	-	12,954
負債總額		2,767,591	2,591,924

簡要綜合資產負債表 **Condensed Consolidated Balance Sheet (continued)**
(續)

			(未經審計) (Unaudited)	(經審計) (Audited)
			於 2020 年 6 月 30 日	於 2019 年 12 月 31 日
		附註 Notes	At 30 June 2020	At 31 December 2019
			港幣百萬元 HK\$m	港幣百萬元 HK\$m
資本	EQUITY			
股本	Share capital	31	43,043	43,043
儲備	Reserves		231,341	215,829
本銀行股東應佔股本和儲備	Capital and reserves attributable to equity holders of the Bank		274,384	258,872
本銀行其他股權工具	Other equity instruments of the Bank	32	23,476	23,476
非控制權益	Non-controlling interests		263	282
資本總額	Total equity		298,123	282,630
負債及資本總額	Total liabilities and equity		3,065,714	2,874,554

第 63 至 170 頁之附註屬本中期財務資料之組成部分。 The notes on pages 63 to 170 are an integral part of this interim financial information.

簡要綜合權益變動表

Condensed Consolidated Statement of Changes in Equity

(未經審計)
(Unaudited)

		歸屬於本銀行股東 Attributable to equity holders of the Bank												
		儲備 Reserves										其他 股權工具 Other equity instruments	非控制 權益 Non- controlling interests	資本總額 Total equity
		股本 Share capital	房產 重估儲備 Premises revaluation reserve	公平值 變動儲備 Reserve for fair value changes	自身信貸 風險儲備 Reserve for own credit risk	監管儲備* Regulatory reserve*	換算儲備 Translation reserve	合併儲備** Merger reserve**	留存盈利 Retained earnings	總計 Total				
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2019 年 1 月 1 日	At 1 January 2019	43,043	38,581	(1,870)	5	10,496	(832)	350	153,177	242,950	23,476	278	266,704	
期內溢利	Profit for the period	-	-	-	-	-	-	-	17,610	17,610	-	82	17,692	
其他全面收益：	Other comprehensive income:													
房產以公平值變化計入其他全面收益之股權工具	Premises Equity instruments at fair value through other comprehensive income	-	927	-	-	-	-	-	-	927	-	-	927	
自身信貸風險以公平值變化計入其他全面收益之債務工具	Own credit risk Debt instruments at fair value through other comprehensive income	-	-	86	(41)	-	-	-	-	86	-	-	86	
貨幣換算差額	Currency translation difference	-	-	2,645	-	-	-	-	-	2,645	-	-	2,645	
全面收益總額	Total comprehensive income	-	927	2,741	(41)	-	151	-	17,610	21,388	-	82	21,470	
收購受共同控制之實體	Acquisition of entity under common control	-	-	-	-	-	(728)	-	-	(728)	-	-	(728)	
轉撥自留存盈利	Transfer from retained earnings	-	-	-	-	381	-	378	(759)	-	-	-	-	
支付其他股權工具持有者股息	Dividend paid to other equity instrument holders	-	-	-	-	-	-	-	(695)	(695)	-	-	(695)	
股息	Dividends	-	-	-	-	-	-	-	(4,735)	(4,735)	-	(102)	(4,837)	
於 2019 年 6 月 30 日	At 30 June 2019	43,043	39,508	871	(36)	10,877	(681)	-	164,598	258,180	23,476	258	281,914	
期內溢利	Profit for the period	-	-	-	-	-	-	-	15,576	15,576	-	86	15,662	
其他全面收益：	Other comprehensive income:													
房產以公平值變化計入其他全面收益之股權工具	Premises Equity instruments at fair value through other comprehensive income	-	(3)	-	-	-	-	-	-	(3)	-	-	(3)	
自身信貸風險以公平值變化計入其他全面收益之債務工具	Own credit risk Debt instruments at fair value through other comprehensive income	-	-	388	3	-	-	-	-	388	-	-	388	
貨幣換算差額	Currency translation difference	-	-	1,075	-	-	-	-	-	1,075	-	-	1,075	
全面收益總額	Total comprehensive income	-	(3)	1,464	3	-	100	-	15,576	17,140	-	86	17,226	
因處置以公平值變化計入其他全面收益之股權工具之轉撥：	Release upon disposal of equity instruments at fair value through other comprehensive income:													
轉撥	Transfer	-	-	1	-	-	-	-	(1)	-	-	-	-	
轉撥自留存盈利	Transfer from retained earnings	-	-	-	-	200	-	-	(200)	-	-	-	-	
支付其他股權工具持有者股息	Dividend paid to other equity instrument holders	-	-	-	-	-	-	-	(695)	(695)	-	-	(695)	
股息	Dividends	-	-	-	-	-	-	-	(15,753)	(15,753)	-	(62)	(15,815)	
於 2019 年 12 月 31 日	At 31 December 2019	43,043	39,505	2,336	(33)	11,077	(581)	-	163,525	258,872	23,476	282	282,630	

簡要綜合現金流量表

Condensed Consolidated Cash Flow Statement

		(未經審計) (Unaudited)	(未經審計) (Unaudited)
		半年結算至 2020年 6月30日	半年結算至 2019年 6月30日
	附註 Notes	Half-year ended 30 June 2020	Half-year ended 30 June 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
經營業務之現金流量	Cash flows from operating activities		
除稅前經營現金之流入／(流出)	Operating cash inflow/(outflow) before taxation	33(a) 77,202	(280,957)
支付香港利得稅	Hong Kong profits tax paid	(4,661)	(72)
支付海外利得稅	Overseas profits tax paid	(273)	(368)
經營業務之現金流入／(流出)淨額	Net cash inflow/(outflow) from operating activities	<u>72,268</u>	<u>(281,397)</u>
投資業務之現金流量	Cash flows from investing activities		
增置物業、器材及設備	Additions of properties, plant and equipment	(429)	(545)
處置物業、器材及設備所得款項	Proceeds from disposal of properties, plant and equipment	7	1
增置投資物業	Additions of investment properties	(4)	(24)
收購受共同控制之實體	Acquisition of entity under common control	-	(728)
投資業務之現金流出淨額	Net cash outflow from investing activities	<u>(426)</u>	<u>(1,296)</u>
融資業務之現金流量	Cash flows from financing activities		
支付本銀行股東股息	Dividend paid to equity holders of the Bank	-	(4,735)
支付其他股權工具持有者股息	Dividend paid to other equity instrument holders	(689)	(695)
支付非控制權益股息	Dividend paid to non-controlling interests	(105)	(102)
贖回後償負債所付款項	Payment for redemption of subordinated liabilities	(12,603)	-
支付後償負債利息	Interest paid for subordinated liabilities	(350)	(353)
支付租賃負債	Payment of lease liabilities	(372)	(276)
融資業務之現金流出淨額	Net cash outflow from financing activities	<u>(14,119)</u>	<u>(6,161)</u>
現金及等同現金項目增加／(減少)	Increase/(decrease) in cash and cash equivalents	57,723	(288,854)
於1月1日之現金及等同現金項目	Cash and cash equivalents at 1 January	331,459	625,895
匯率變動對現金及等同現金項目的影響	Effect of exchange rate changes on cash and cash equivalents	(3,204)	3,781
於6月30日之現金及等同現金項目	Cash and cash equivalents at 30 June	33(b) <u>385,978</u>	<u>340,822</u>

第 63 至 170 頁之附註屬本中期財務資料之組成部分。

The notes on pages 63 to 170 are an integral part of this interim financial information.

中期財務資料附註

Notes to the Interim Financial Information

1. 編製基準及主要會計政策 1. Basis of preparation and significant accounting policies

(a) 編製基準

此未經審計之中期財務資料，乃按照香港會計師公會所頒佈之香港會計準則第34號「中期財務報告」而編製。

(b) 主要會計政策

除了初始採用以下所載的修訂之外，此未經審計之中期財務資料所採用之主要會計政策及計算辦法，均與截至2019年12月31日止之本集團年度財務報表之編製基礎一致，並需連同本集團2019年之年度報告一併閱覽。

已於2020年1月1日起開始的會計年度首次採用之與本集團相關的修訂

本集團自2020年1月1日起開始的會計年度首次採用了以下修訂：

(a) Basis of preparation

The unaudited interim financial information has been prepared in accordance with HKAS 34 “Interim Financial Reporting” issued by the HKICPA.

(b) Significant accounting policies

Except for the initial adoption of the below mentioned amendments, the significant accounting policies adopted and methods of computation used in the preparation of the unaudited interim financial information are consistent with those adopted and used in the Group’s annual financial statements for the year ended 31 December 2019 and shall be read in conjunction with the Group’s Annual Report for 2019.

Amendments that are relevant to the Group and are initially adopted for the financial year beginning on 1 January 2020

The Group has initially applied the following amendments for the financial year beginning on 1 January 2020:

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

1. 編製基準及主要會計政策 (續) 1. Basis of preparation and significant accounting policies (continued)

(b) 主要會計政策 (續)

已於2020年1月1日起開始的會計年度首次採用之與本集團相關的修訂 (續)

- 香港會計準則第39號、香港財務報告準則第7號及香港財務報告準則第9號(經修訂)「基準利率改革」。該修訂旨在修改一些特定的對沖會計條件，提供暫時性豁免允許原已採用對沖會計的對沖組合在基準利率改革產生對對沖組合現金流的不確定性下繼續應用對沖會計。按該修訂規定，豁免將會於以下較早者被視為終止(i)當基準利率改革產生對對沖組合現金流的不確定性終止時；(ii)當採用豁免的對沖組合終止時，或在現金流對沖下，當與被終止對沖關係相關的現金流對沖儲備金額全數重分類至損益時。

該修訂被追溯性應用，應用該修訂對本集團的財務報表沒有重大影響。

(b) Significant accounting policies (continued)

Amendments that are relevant to the Group and are initially adopted for the financial year beginning on 1 January 2020 (continued)

- HKAS 39, HKFRS 7 and HKFRS 9 (Amendments), "Interest Rate Benchmark Reform". The amendments modify certain specific hedge accounting requirements to provide temporary relief allowing the continuous use of hedge accounting under the uncertainties caused by interest rate benchmark reform ("IBOR reform") on the cash flows of the hedge relationships. Pursuant to the amendments, the relief would deem to be ended at the earlier of (i) when there is no longer uncertainty arising from IBOR reform over the cash flows of the hedging relationships, and (ii) when the hedging relationship to which the relief applied is discontinued, or in case of cash flow hedges, when the entire amount accumulated in the cash flow hedge reserve with respect to the discontinued hedging relationship has been reclassified to profit or loss.

The amendments have been applied retrospectively. There is no material impact on the Group's financial statements.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

1. 編製基準及主要會計政策 (續) 1. Basis of preparation and significant accounting policies (continued)

(b) 主要會計政策 (續)

(b) Significant accounting policies (continued)

已於2020年1月1日起開始的會計年度首次採用之與本集團相關的修訂 (續)

Amendments that are relevant to the Group and are initially adopted for the financial year beginning on 1 January 2020 (continued)

- 香港財務報告準則第16號(經修訂)「新冠肺炎相關的租金寬免」。該修訂旨在提供實務豁免允許承租人免於評估因新冠肺炎疫情形勢下直接引起的租金寬免會否引致租賃變更，而是將此等變更當為非租賃變更核算。

該修訂於2020年6月1日生效，並適用於由2020年1月1日始至2021年6月30日期間因新冠肺炎引起的租金寬免所減少的租賃付款額。本集團選擇提早採用此修訂並將實務豁免應用於本集團於本中期報告期內全部被授予的合資格與新冠肺炎相關的租金寬免。應用該修訂對本集團的財務報表沒有重大影響。

- 香港會計準則第1號及香港會計準則第8號(經修訂)「重大性的定義」。該項修訂對資訊的重大性之定義作澄清，並使各準則中使用的定義一致。該修訂被前瞻性採用，應用該修訂對本集團的財務報表沒有重大影響。
- 香港財務報告準則第3號(經修訂)「對業務的定義」。該修訂澄清業務的定義，目的是協助企業評估業務合併交易是否應作為業務合併或資產收購入賬。該修訂被前瞻性採用，應用該修訂對本集團的財務報表沒有重大影響。

- HKFRS 16 (Amendments), “COVID-19-Related Rent Concessions”. The amendments provide a practical expedient that lessees are exempted from evaluating whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications and, instead, account for those rent concessions as if they were not lease modifications.

The amendments are effective on 1 June 2020 and applicable to COVID-19-related rent concessions that reduce lease payments from 1 January 2020 to 30 June 2021. The Group has elected to early adopt the amendments and applied the practical expedient to all qualifying COVID-19-related rent concessions granted to the Group during the interim reporting period. The adoption of the amendments does not have a material impact on the Group's financial statements.

- HKAS 1 and HKAS 8 (Amendments), “Definition of Material”. The amendments clarify the definition of materiality of information and align the definition used across other accounting standards. The amendments have been applied prospectively. The application of the amendments does not have a material impact on the Group's financial statements.

- HKFRS 3 (Amendments), “Definition of a Business”. The amendments clarify the definition of a business, with the objective of assisting entities to determine whether a business combination transaction should be accounted for as a business combination or as an asset acquisition. The amendments have been applied prospectively. The application of this amendments does not have a material impact on the Group's financial statements.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

1. 編製基準及主要會計政策 (續) 1. Basis of preparation and significant accounting policies (continued)

- (c) 已頒佈並與本集團相關但尚未強制性生效及沒有被本集團於2020年提前採納之修訂 (c) Amendments issued that are relevant to the Group but not yet mandatorily effective and have not been early adopted by the Group in 2020

修訂 Amendments	內容 Content	起始適用之年度 Applicable for financial years beginning on/after
香港會計準則第 16 號 (經修訂) HKAS 16 (Amendments)	物業、器材及設備達到預定用途前所獲收入 Property, Plant and Equipment: Proceeds before Intended Use	2022 年 1 月 1 日 1 January 2022
香港會計準則第 28 號(2011)及 香港財務報告準則第 10 號 (經修訂) HKAS 28 (2011) and HKFRS 10 (Amendments)	投資者與其聯營或合資企業之間的 資產出售或注入 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	待定 To be determined
香港會計準則第 37 號 (經修訂) HKAS 37 (Amendments)	虧損合同 – 履行合同的成本 Onerous Contracts – Cost of Fulfilling a Contract	2022 年 1 月 1 日 1 January 2022
香港財務報告準則第 3 號 (經修訂) HKFRS 3 (Amendments)	財務報告概念框架的引用 Reference to the Conceptual Framework	2022 年 1 月 1 日 1 January 2022

- 香港會計準則第16號(經修訂)「物業、器材及設備達到預定用途前所獲收入」。該修訂禁止企業將物業、器材及設備達到其預定用途前產出的產品的銷售收入沖減其成本，相關產出銷售收入應與其按香港會計準則第2號計量的生產成本一併計入損益。該修訂會被追溯性採用，但僅適用於在首次採用該修訂的財務報表所列報的最早期間的期初或之後才達到可使用狀態的物業、器材及設備項目。應用該修訂對本集團的財務報表沒有重大影響。
- HKAS 16 (Amendments), “Property, Plant and Equipment: Proceeds before Intended Use”. The amendments prohibit an entity from deducting from the cost of an item of property, plant and equipment the proceeds from selling items produced before that asset is available for use. The related sales proceeds together with the costs of providing these items as determined by HKAS 2, should be included in profit and loss. The amendments are applied retrospectively, but only to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. The application of the amendments will not have a material impact on the Group’s financial statements.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

1. 編製基準及主要會計政策 1. Basis of preparation and significant accounting policies (continued)
(續)

(c) 已頒佈並與本集團相關但尚未強制性生效及沒有被本集團於2020年提前採納之修訂(續)

(c) Amendments issued that are relevant to the Group but not yet mandatorily effective and have not been early adopted by the Group in 2020 (continued)

• 香港會計準則第37號(經修訂)「虧損合同—履行合同的成本」。該修訂澄清了企業在評估合同是否構成虧損合同時，履行合同的成本需包括履行合同的增量成本及其他履行合同的直接成本的分攤金額。該修訂會應用於企業在首次採用該修訂時已存在的合同，在首次採用日，企業應將採用該修訂的累積影響確認為對留存收益或權益的其他組成部分(如適用)的期初餘額調整。比較信息不予重列。應用該修訂對本集團的財務報表沒有重大影響。

• HKAS 37 (Amendments), “Onerous Contracts – Cost of Fulfilling a Contract”. The amendments clarify that for the purpose of assessing whether a contract is onerous, the cost of fulfilling the contract includes both the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendments are applied to contracts for which exist at the date when the amendments are first applied, with the cumulative effect of applying the amendments to be recognised as an opening balance adjustment to retained earnings or other component of equity, as appropriate. The comparatives are not restated. The application of the amendments will not have a material impact on the Group’s financial statements.

• 香港財務報告準則第3號(經修訂)「財務報告概念框架的引用」。該修訂更新了香港財務報告準則第3號內一個對於2018年公佈的財務報告概念框架的引用。該修訂亦在香港財務報告準則第3號內加入了一個對企業需參考財務報告概念框架中構成資產或負債的要求的豁免，指明採用香港財務報告準則第3號的企業就若干種類的負債或或然負債應改為參考香港會計準則第37號。該豁免被加入後避免了更新對財務報告概念框架的引用後帶來的計劃以外的後果。應用該修訂對本集團的財務報表沒有重大影響。

• HKFRS 3 (Amendments), “Reference to the Conceptual Framework”. The amendments update a reference in HKFRS 3 to the Conceptual Framework for Financial Reporting issued in 2018. The amendments also add to HKFRS 3 an exception to its requirement for an entity to refer to the Conceptual Framework to determine what constitutes an asset or a liability, that for some types of liabilities and contingent liabilities, an entity applying HKFRS 3 should instead refer to HKAS 37. The exception has been added to avoid an unintended consequence of updating the reference to the Conceptual Framework. The application of the amendments will not have a material impact on the Group’s financial statements.

• 上述其餘修訂的簡介，請參閱本集團2019年之年度報告內財務報表附註2.1(b)項。

• Please refer to Note 2.1(b) of the Group’s Annual Report for 2019 for brief explanations of remaining amendments.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

1. 編製基準及主要會計政策 1. Basis of preparation and significant accounting policies (continued)
(續)

(d) 完善香港財務報告準則

「完善香港財務報告準則」包含多項被香港會計師公會認為非緊急但有需要的修訂。當中包括引致在列示、確認或計量方面出現會計變更的修訂，以及多項與個別香港財務報告準則相關之術語或編輯上的修訂。此等完善對本集團的財務報表沒有重大影響。

(d) Improvements to HKFRSs

“Improvements to HKFRSs” contains numerous amendments to HKFRSs which HKICPA considers not urgent but necessary. The amendments comprise clarification to changes in presentation, recognition or measurement purpose, amendments to the basis for conclusions as well as terminology or editorial amendments related to each HKFRS. These improvements will not have a material impact on the Group's financial statements.

2. 應用會計政策時之重大會計估計及判斷 2. Critical accounting estimates and judgements in applying accounting policies

本集團於本報告期內的會計估計之性質及假設，均與本集團截至2019年12月31日的財務報告內所採用的一致。

The nature and assumptions related to the Group's accounting estimates in this reporting period are consistent with those used in the Group's financial statements for the year ended 31 December 2019.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理

3. Financial risk management

本集團因從事各類業務而涉及金融風險。主要金融風險包括信貸風險、市場風險（包括外匯風險及利率風險）及流動資金風險。本附註概述本集團的這些風險承擔。

The Group is exposed to financial risks as a result of engaging in a variety of business activities. The principal financial risks are credit risk, market risk (including currency risk and interest rate risk) and liquidity risk. This note summarises the Group's exposures to these risks.

3.1 信貸風險

3.1 Credit risk

(A) 貸款及其他賬項

(A) Advances and other accounts

有明確到期日之貸款，若其本金或利息已逾期及仍未償還，則列作逾期貸款。須定期分期償還之貸款，若其中一次分期還款已逾期及仍未償還，則列作逾期處理。須即期償還之貸款若已向借款人送達還款通知，但借款人未按指示還款，或貸款一直超出借款人獲通知之批准貸款限額，亦列作逾期處理。

Advances with a specific repayment date are classified as overdue when the principal or interest is past due and remains unpaid. Advances repayable by regular instalments are classified as overdue when an instalment payment is past due and remains unpaid. Advances repayable on demand are classified as overdue either when a demand for repayment has been served on the borrower but repayment has not been made in accordance with the instruction or when the advances have remained continuously to exceed the approved limit that was advised to the borrower.

當發生一項或多項事件對授信的未來現金流產生不利的影響，例如超過 90 天以上逾期，或借款人可能無法全額支付本集團的債務，有關授信將視為信貸減值授信。信貸減值授信被確定為第三階段需按整個存續期計提預期信用損失。

Advances are credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows have occurred such as past due for more than 90 days or the borrower is unlikely to pay in full for the credit obligations to the Group. Credit-impaired advances are classified as Stage 3 and lifetime expected credit losses will be recognised.

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

3. 金融風險管理 (續) **3. Financial risk management (continued)**

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 貸款及其他賬項 (續)

(A) Advances and other accounts (continued)

根據以下可觀察證據來決定授信是減值貸款：

- 借款人出現重大的財務困難；
- 出現違約事件，例如不履行或逾期償還本金或利息；
- 當借款人出現財務困難，本集團基於經濟或法律因素考慮而特別給予借款人貸款條件上的優惠；
- 有證據顯示借款人將會破產或進行財務重整；或
- 其他明顯訊息反映有關貸款的未來現金流將會出現明顯下降。

當貸款受全數抵押擔保，即使被界定為第三階段，亦未必導致減值損失。

Evidence that an advance is credit-impaired include observable data about the following events:

- Significant financial difficulty incurred by the borrower;
- A breach of contract, such as a default or delinquency in principal or interest payment;
- For economic or legal reasons related to the borrower's financial difficulty, the Group has granted to the borrower a concession that it would not otherwise consider;
- Probable that the borrower will become bankrupt or undergo other financial reorganisation; or
- Other observable data indicating that there is a measurable decrease in the estimated future cash flows from such advances.

Advances classified as Stage 3 may not necessarily result in impairment loss where the advances are fully collateralised.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 貸款及其他賬項 (續)

(A) Advances and other accounts (continued)

提取減值準備前之總貸款及其他賬項按內部信貸評級及階段分析如下：

Gross advances and other accounts before impairment allowances are analysed by internal credit grade and stage classification as follows:

		於 2020 年 6 月 30 日 At 30 June 2020			
		第一階段 Stage 1	第二階段 Stage 2	第三階段 Stage 3	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
客戶貸款	Advances to customers				
合格	Pass	1,490,826	2,322	-	1,493,148
需要關注	Special mention	2,962	3,121	-	6,083
次級或以下	Substandard or below	-	-	3,817	3,817
		1,493,788	5,443	3,817	1,503,048
貿易票據	Trade bills				
合格	Pass	13,265	-	-	13,265
需要關注	Special mention	2	-	-	2
次級或以下	Substandard or below	-	-	-	-
		13,267	-	-	13,267
銀行及其他金融機構貸款	Advances to banks and other financial institutions				
合格	Pass	1,403	-	-	1,403
需要關注	Special mention	-	-	-	-
次級或以下	Substandard or below	-	-	-	-
		1,403	-	-	1,403
		1,508,458	5,443	3,817	1,517,718
減值準備	Impairment allowances	(5,392)	(325)	(2,341)	(8,058)
		1,503,066	5,118	1,476	1,509,660

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 貸款及其他賬項 (續)

(A) Advances and other accounts (continued)

於 2019 年 12 月 31 日
At 31 December 2019

		第一階段 Stage 1	第二階段 Stage 2	第三階段 Stage 3	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
客戶貸款	Advances to customers				
合格	Pass	1,385,310	1,592	-	1,386,902
需要關注	Special mention	2,683	2,621	-	5,304
次級或以下	Substandard or below	-	-	3,217	3,217
		<u>1,387,993</u>	<u>4,213</u>	<u>3,217</u>	<u>1,395,423</u>
貿易票據	Trade bills				
合格	Pass	20,727	-	-	20,727
需要關注	Special mention	-	-	-	-
次級或以下	Substandard or below	-	-	-	-
		<u>20,727</u>	<u>-</u>	<u>-</u>	<u>20,727</u>
銀行及其他金融機構 貸款	Advances to banks and other financial institutions				
合格	Pass	3,387	-	-	3,387
需要關注	Special mention	-	-	-	-
次級或以下	Substandard or below	-	-	-	-
		<u>3,387</u>	<u>-</u>	<u>-</u>	<u>3,387</u>
		1,412,107	4,213	3,217	1,419,537
減值準備	Impairment allowances	<u>(4,564)</u>	<u>(297)</u>	<u>(2,175)</u>	<u>(7,036)</u>
		<u>1,407,543</u>	<u>3,916</u>	<u>1,042</u>	<u>1,412,501</u>

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 貸款及其他賬項 (續)

(A) Advances and other accounts (continued)

貸款及其他賬項之減值準備變動情況列示如下：

Reconciliation of impairment allowances for advances and other accounts is as follows:

		於 2020 年 6 月 30 日 At 30 June 2020			
		第一階段 Stage 1	第二階段 Stage 2	第三階段 Stage 3	總計 Total
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
減值準備	Impairment allowances				
於 2020 年 1 月 1 日	At 1 January 2020	4,564	297	2,175	7,036
轉至第一階段	Transfer to Stage 1	75	(73)	(2)	-
轉至第二階段	Transfer to Stage 2	(43)	50	(7)	-
轉至第三階段	Transfer to Stage 3	(7)	(18)	25	-
階段轉撥產生之變動	Changes arising from transfer of stage	(62)	145	458	541
其他變動(包括新增資產及終止確認之資產)	Other changes (including new assets and derecognised assets)	893	(73)	(50)	770
撇銷	Write-offs	-	-	(305)	(305)
收回已撇銷賬項	Recoveries	-	-	76	76
折現減值準備回撥	Unwind of discount on impairment allowances	-	-	(4)	(4)
匯兌差額	Exchange difference	(28)	(3)	(25)	(56)
於 2020 年 6 月 30 日	At 30 June 2020	5,392	325	2,341	8,058
借記收益表(附註 11)	Charged to income statement (Note 11)				1,311

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 貸款及其他賬項 (續)

(A) Advances and other accounts (continued)

		於 2019 年 12 月 31 日			
		At 31 December 2019			
		第一階段	第二階段	第三階段	總計
		Stage 1	Stage 2	Stage 3	Total
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m	HK\$m
減值準備	Impairment allowances				
於 2019 年 1 月 1 日	At 1 January 2019	3,748	546	1,130	5,424
轉至第一階段	Transfer to Stage 1	154	(143)	(11)	-
轉至第二階段	Transfer to Stage 2	(26)	103	(77)	-
轉至第三階段	Transfer to Stage 3	(15)	(184)	199	-
階段轉撥產生之變動	Changes arising from transfer of stage	(131)	84	1,216	1,169
其他變動(包括新增資產及終止確認之資產)	Other changes (including new assets and derecognised assets)	832	(105)	(44)	683
撇銷	Write-offs	-	-	(462)	(462)
收回已撇銷賬項	Recoveries	-	-	213	213
折現減值準備回撥	Unwind of discount on impairment allowances	-	-	(4)	(4)
匯兌差額	Exchange difference	2	(4)	15	13
於 2019 年 12 月 31 日	At 31 December 2019	<u>4,564</u>	<u>297</u>	<u>2,175</u>	<u>7,036</u>

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 貸款及其他賬項 (續)

(A) Advances and other accounts (continued)

(a) 減值貸款

(a) Impaired advances

減值之客戶貸款
分析如下：

Impaired advances to customers are analysed as follows:

	於 2020 年 6 月 30 日		於 2019 年 12 月 31 日	
	At 30 June 2020		At 31 December 2019	
	減值 Impaired	特定分類或 減值 Classified or impaired	減值 Impaired	特定分類或 減值 Classified or impaired
	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
客戶貸款總額		Gross advances to customers		
	<u>3,817</u>	<u>3,817</u>	<u>3,217</u>	<u>3,217</u>
佔客戶貸款總額百 分比		Percentage of gross advances to customers		
	<u>0.25%</u>	<u>0.25%</u>	<u>0.23%</u>	<u>0.23%</u>
就上述貸款作出 之減值準備		Impairment allowances made in respect of such advances		
	<u>2,341</u>	<u>2,341</u>	<u>2,175</u>	<u>2,175</u>

特定分類或減值之客戶貸款是指按本集團貸款質量分類的「次級」、「呆滯」或「虧損」貸款或分類為第三階段的貸款。

Classified or impaired advances to customers represent advances which are either classified as "substandard", "doubtful" or "loss" under the Group's classification of loan quality, or classified as Stage 3.

減值準備已考慮上述貸款之抵押品價值。

The impairment allowances were made after taking into account the value of collateral in respect of the credit-impaired advances.

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

3. 金融風險管理 (續) **3. Financial risk management (continued)**

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 貸款及其他賬項 (續)

(A) Advances and other accounts (continued)

(a) 減值貸款 (續)

(a) Impaired advances (continued)

		於 2020 年 6 月 30 日 At 30 June 2020 港幣百萬元 HK\$'m	於 2019 年 12 月 31 日 At 31 December 2019 港幣百萬元 HK\$'m
就上述有抵押品覆蓋的減值客戶貸款之抵押品市值	Current market value of collateral held against the covered portion of impaired advances to customers	<u>2,911</u>	<u>2,187</u>
上述有抵押品覆蓋之減值客戶貸款	Covered portion of impaired advances to customers	<u>1,627</u>	<u>1,011</u>
上述沒有抵押品覆蓋之減值客戶貸款	Uncovered portion of impaired advances to customers	<u>2,190</u>	<u>2,206</u>

於 2020 年 6 月 30 日，沒有減值之貿易票據和銀行及其他金融機構貸款 (2019 年 12 月 31 日：無)。

As at 30 June 2020, there were no impaired trade bills and advances to banks and other financial institutions (31 December 2019: Nil).

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 貸款及其他賬項 (續)

(A) Advances and other accounts (continued)

(b) 逾期超過3個月之貸款

(b) Advances overdue for more than three months

逾期超過3個月之貸款總額分析如下：

The gross amount of advances overdue for more than three months is analysed as follows:

	於2020年6月30日 At 30 June 2020		於2019年12月31日 At 31 December 2019	
	金額 Amount 港幣百萬元 HK\$m	佔客戶貸款總額 百分比 % of gross advances to customers	金額 Amount 港幣百萬元 HK\$m	佔客戶貸款總額 百分比 % of gross advances to customers
客戶貸款總額，已逾期：				
- 超過3個月但不超過6個月	426	0.03%	145	0.01%
- 超過6個月但不超過1年	647	0.04%	836	0.06%
- 超過1年	1,578	0.11%	948	0.07%
逾期超過3個月之貸款	2,651	0.18%	1,929	0.14%
就上述貸款作出之減值準備				
- 第三階段	2,005		1,651	

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

3. 金融風險管理 (續) **3. Financial risk management (continued)**

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 貸款及其他賬項 (續)

(A) Advances and other accounts (continued)

(b) 逾期超過 3 個月之貸款 (續)

(b) Advances overdue for more than three months (continued)

	於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
就上述有抵押品覆蓋之客戶貸款之抵押品市值	1,049	487
上述有抵押品覆蓋之客戶貸款	708	315
上述沒有抵押品覆蓋之客戶貸款	1,943	1,614

逾期貸款或減值貸款的抵押品主要包括公司授信戶項下的商用資產如商業、住宅樓宇及船舶、個人授信戶項下的住宅按揭物業。

Collateral held against overdue or impaired loans is principally represented by charges over business assets such as commercial, residential premises and vessels for corporate loans and mortgages over residential properties for personal loans.

於 2020 年 6 月 30 日，沒有逾期超過 3 個月之貿易票據和銀行及其他金融機構貸款 (2019 年 12 月 31 日：無)。

As at 30 June 2020, there were no trade bills and advances to banks and other financial institutions overdue for more than three months (31 December 2019: Nil).

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 貸款及其他賬項 (續)

(A) Advances and other accounts (continued)

(c) 經重組貸款

(c) Rescheduled advances

	於 2020 年 6 月 30 日 At 30 June 2020		於 2019 年 12 月 31 日 At 31 December 2019	
	金額 Amount	佔客戶貸款總額 百分比 % of gross advances to customers	金額 Amount	佔客戶貸款總額 百分比 % of gross advances to customers
	港幣百萬元 HK\$m		港幣百萬元 HK\$m	
經重組客戶貸款淨額 (已扣減包含於「逾期超過 3 個月之貸款」部分)				
Rescheduled advances to customers net of amounts included in "Advances overdue for more than three months"	147	0.01%	239	0.02%

經重組貸款指因借款人財務狀況轉壞或無法按原定還款時間表還款，經銀行與借款人重新協定還款計劃的重組貸款，且修訂後的有關利息或還款期等還款條件對集團而言屬於「非商業性」。修訂還款計劃後之經重組貸款如仍逾期超過 3 個月，則包括在「逾期超過 3 個月之貸款」內。

Rescheduled advances are those advances that have been restructured and renegotiated between the bank and borrowers because of deterioration in the financial position of the borrower or the inability of the borrower to meet the original repayment schedule, and the revised repayment terms, either of interest or the repayment period, are "non-commercial" to the Group. Rescheduled advances, which have been overdue for more than three months under the revised repayment terms, are included in "Advances overdue for more than three months".

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 貸款及其他賬項 (續)

(A) Advances and other accounts (continued)

(d) 客戶貸款集中度

(d) Concentration of advances to customers

(i) 按行業分類之
客戶貸款總額

(i) Sectoral analysis of gross advances to customers

以下關於客戶貸款總額之行業分類分析，其行業分類乃參照有關貸款及墊款之金管局報表的填報指示而編製。

The following analysis of the gross advances to customers by industry sector is based on the categories with reference to the completion instructions for the HKMA return of loans and advances.

於 2020 年 6 月 30 日
At 30 June 2020

	客戶貸款總額 Gross advances to customers	抵押品或 其他抵押覆 蓋之百分比 % covered by collateral or other security	特定分類 或減值 Classified or impaired	逾期 Overdue	減值準備 - 第一和第二 階段 Impairment allowances - Stages 1 and 2		
					第三階段 Impairment allowances - Stage 3	減值準備 - 第一和第二 階段 Impairment allowances - Stages 1 and 2	
	港幣百萬元 HK\$m		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	
在香港使用之貸款	Loans for use in Hong Kong						
工商金融業	Industrial, commercial and financial						
- 物業發展	- Property development	139,340	23.42%	-	5	-	710
- 物業投資	- Property investment	64,716	67.94%	106	162	4	138
- 金融業	- Financial concerns	28,150	0.84%	-	-	-	46
- 股票經紀	- Stockbrokers	6,147	32.45%	-	-	-	2
- 批發及零售業	- Wholesale and retail trade	36,031	40.14%	171	291	100	322
- 製造業	- Manufacturing	60,077	9.04%	66	68	5	209
- 運輸及運輸設備	- Transport and transport equipment	75,570	24.28%	319	3	-	234
- 休閒活動	- Recreational activities	205	12.22%	-	3	-	3
- 資訊科技	- Information technology	24,321	0.81%	92	93	4	28
- 其他	- Others	132,303	48.02%	6	259	2	459
個人	Individuals						
- 購買居者有其屋計劃、 私人機構參建居屋計 劃及租者置其屋計劃 樓宇之貸款	- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	21,239	99.51%	16	170	-	23
- 購買其他住宅物業之 貸款	- Loans for purchase of other residential properties	288,778	99.94%	114	1,279	1	187
- 信用卡貸款	- Credit card advances	12,340	-	130	460	116	174
- 其他	- Others	103,226	93.48%	105	629	89	589
在香港使用之貸款總額	Total loans for use in Hong Kong	992,443	59.15%	1,125	3,422	321	3,124
貿易融資	Trade financing	82,074	13.72%	536	586	311	236
在香港以外使用之貸款	Loans for use outside Hong Kong	428,531	5.85%	2,156	2,657	1,709	2,355
客戶貸款總額	Gross advances to customers	1,503,048	41.48%	3,817	6,665	2,341	5,715

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 貸款及其他賬項 (續)

(A) Advances and other accounts (continued)

(d) 客戶貸款集中度 (續)

(d) Concentration of advances to customers (continued)

(i) 按行業分類之客戶貸款總額 (續)

(i) Sectoral analysis of gross advances to customers (continued)

		於 2019 年 12 月 31 日 At 31 December 2019						
		客戶貸款總額 Gross advances to customers	抵押品或其他抵押覆蓋之百分比 % covered by collateral or other security	特定分類或減值 Classified or impaired	逾期 Overdue	減值準備 - 第三階段 Impairment allowances - Stage 3	減值準備 - 第一和第二階段 Impairment allowances - Stages 1 and 2	
		港幣百萬元 HK\$m		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	
在香港使用之貸款	Loans for use in Hong Kong							
工商金融業	Industrial, commercial and financial							
- 物業發展	- Property development	137,663	21.53%	-	9	-	695	
- 物業投資	- Property investment	49,073	81.98%	-	158	-	62	
- 金融業	- Financial concerns	29,411	0.88%	-	-	-	53	
- 股票經紀	- Stockbrokers	815	98.27%	-	-	-	1	
- 批發及零售業	- Wholesale and retail trade	39,880	36.86%	88	283	87	210	
- 製造業	- Manufacturing	42,719	12.98%	193	222	95	174	
- 運輸及運輸設備	- Transport and transport equipment	66,511	27.29%	325	69	-	180	
- 休閒活動	- Recreational activities	2,161	1.19%	-	-	-	3	
- 資訊科技	- Information technology	22,464	0.90%	-	48	-	76	
- 其他	- Others	125,909	47.30%	6	138	4	365	
個人	Individuals							
- 購買居者有其屋計劃、私人機構參建居屋計劃及租者置其屋計劃樓宇之貸款	- Loans for the purchase of flats in Home Ownership Scheme, Private Sector Participation Scheme and Tenants Purchase Scheme	19,855	99.68%	18	161	-	10	
- 購買其他住宅物業之貸款	- Loans for purchase of other residential properties	277,288	99.93%	96	1,374	-	97	
- 信用卡貸款	- Credit card advances	14,663	-	127	579	113	159	
- 其他	- Others	95,862	90.94%	71	504	63	358	
在香港使用之貸款總額	Total loans for use in Hong Kong	924,274	59.85%	924	3,545	362	2,443	
貿易融資	Trade financing	75,764	14.75%	318	340	237	154	
在香港以外使用之貸款	Loans for use outside Hong Kong	395,385	6.74%	1,975	1,988	1,576	2,263	
客戶貸款總額	Gross advances to customers	1,395,423	42.35%	3,217	5,873	2,175	4,860	

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

3. 金融風險管理 (續) **3. Financial risk management (continued)**

3.1 信貸風險 (續)

(A) 貸款及其他賬項 (續)

(d) 客戶貸款集中度 (續)

(ii) 按地理區域分類之客戶貸款總額

下列關於客戶貸款之地理區域分析是根據交易對手之所在地，並已顧及風險轉移因素。若客戶貸款之擔保人所在地與客戶所在地不同，則風險將轉移至擔保人之所在地。

客戶貸款總額

香港
中國內地
其他

就客戶貸款總額作出之減值準備 - 第一和第二階段

香港
中國內地
其他

3.1 Credit risk (continued)

(A) Advances and other accounts (continued)

(d) Concentration of advances to customers (continued)

(ii) Geographical analysis of gross advances to customers

The following geographical analysis of advances to customers is based on the locations of the counterparties, after taking into account the transfer of risk. For an advance to customer guaranteed by a party situated in a location different from the customer, the risk will be transferred to the location of the guarantor.

Gross advances to customers

	於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
Hong Kong	1,226,790	1,124,352
Chinese Mainland	119,294	126,075
Others	156,964	144,996
	<u>1,503,048</u>	<u>1,395,423</u>

Impairment allowances made in respect of the gross advances to customers - Stages 1 and 2

Hong Kong	4,074	3,228
Chinese Mainland	460	492
Others	1,181	1,140
	<u>5,715</u>	<u>4,860</u>

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

(A) 貸款及其他賬項 (續)

(d) 客戶貸款集中度 (續)

(ii) 按地理區域分類之客戶貸款總額 (續)

逾期貸款

香港
中國內地
其他

就逾期貸款作出之減值準備 - 第三階段

香港
中國內地
其他

3.1 Credit risk (continued)

(A) Advances and other accounts (continued)

(d) Concentration of advances to customers (continued)

(ii) Geographical analysis of gross advances to customers (continued)

Overdue advances

Hong Kong
Chinese Mainland
Others

Impairment allowances made in respect of the overdue advances - Stage 3

Hong Kong
Chinese Mainland
Others

	於 2020 年 6 月 30 日 At 30 June 2020 港幣百萬元 HK\$'m	於 2019 年 12 月 31 日 At 31 December 2019 港幣百萬元 HK\$'m
	4,408	4,341
	668	607
	1,589	925
	6,665	5,873
	1,156	975
	395	423
	689	489
	2,240	1,887

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

3. 金融風險管理 (續) **3. Financial risk management (continued)**

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(A) 貸款及其他賬項 (續)

(A) Advances and other accounts (continued)

(d) 客戶貸款集中度 (續)

(d) Concentration of advances to customers (continued)

(ii) 按地理區域分類之客戶貸款總額 (續)

(ii) Geographical analysis of gross advances to customers (continued)

特定分類或減值貸款

Classified or impaired advances

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
香港	Hong Kong	2,173	1,766
中國內地	Chinese Mainland	486	507
其他	Others	1,158	944
		3,817	3,217
就特定分類或減值貸款作出之減值準備 - 第三階段	Impairment allowances made in respect of the classified or impaired advances - Stage 3		
香港	Hong Kong	1,236	1,132
中國內地	Chinese Mainland	411	436
其他	Others	694	607
		2,341	2,175

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

(B) 收回資產

本集團於 2020 年 6 月 30 日持有的收回資產之估值為港幣 0.50 億元 (2019 年 12 月 31 日: 港幣 0.33 億元)。這包括本集團通過對抵押取得處置或控制權的物業 (如通過法律程序或業主自願交出抵押資產方式取得) 而對借款人的債務進行全數或部分減除。

3.1 Credit risk (continued)

(B) Repossessed assets

The estimated market value of repossessed assets held by the Group as at 30 June 2020 amounted to HK\$50 million (31 December 2019: HK\$33 million). The repossessed assets comprise properties in respect of which the Group has acquired access or control (e.g. through court proceedings or voluntary actions by the proprietors concerned) for release in full or in part of the obligations of the borrowers.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(C) 債務證券及存款證

(C) Debt securities and certificates of deposit

下表為以發行評級及階段分析之債務證券及存款證賬面值。在無發行評級的情況下，則會按發行人的評級報告。

The following tables present an analysis of the carrying value of debt securities and certificates of deposit by issue rating and stage classification. In the absence of such issue ratings, the ratings designated for the issuers are reported.

		於 2020 年 6 月 30 日 At 30 June 2020 港幣百萬元 HK\$m	於 2019 年 12 月 31 日 At 31 December 2019 港幣百萬元 HK\$m
以公平值變化計入其 他全面收益之證券 投資	Investment in securities at fair value through other comprehensive income		
- 第一階段	- Stage 1		
Aaa	Aaa	95,153	105,381
Aa1 至 Aa3	Aa1 to Aa3	197,146	170,367
A1 至 A3	A1 to A3	353,926	351,809
A3 以下	Lower than A3	18,143	18,655
無評級	Unrated	19,974	21,445
		684,342	667,657
- 第二階段	- Stage 2	-	-
- 第三階段	- Stage 3	-	-
		684,342	667,657
其中：減值準備	Of which: impairment allowances	(216)	(147)
以攤餘成本計量之證 券投資	Investment in securities at amortised cost		
- 第一階段	- Stage 1		
Aaa	Aaa	51,652	57,569
Aa1 至 Aa3	Aa1 to Aa3	3,195	2,748
A1 至 A3	A1 to A3	4,376	5,081
A3 以下	Lower than A3	3,325	2,230
無評級	Unrated	817	782
		63,365	68,410
- 第二階段	- Stage 2	-	-
- 第三階段	- Stage 3	-	-
		63,365	68,410
減值準備	Impairment allowances	(11)	(20)
		63,354	68,390

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

3.1 Credit risk (continued)

(C) 債務證券及存款證
(續)

(C) Debt securities and certificates of deposit (continued)

	於 2020 年 6 月 30 日 At 30 June 2020 港幣百萬元 HK\$m	於 2019 年 12 月 31 日 At 31 December 2019 港幣百萬元 HK\$m
以公平值變化計入損 益之金融資產	Financial assets at fair value through profit or loss	
Aaa	2,847	2,844
Aa1 至 Aa3	17,754	26,442
A1 至 A3	4,420	7,058
A3 以下	1,209	1,962
無評級	1,487	3,019
	27,717	41,325

於 2020 年 6 月 30 日，沒有減值或逾期之債務證券及存款證 (2019 年 12 月 31 日：無)。

As at 30 June 2020, there were no impaired or overdue debt securities and certificates of deposit (31 December 2019: Nil).

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

(D) 應對新冠肺炎疫情的 信貸風險管理

2020年上半年，新冠肺炎疫情迅速蔓延全球，嚴重阻礙客戶的經濟活動及營運，集團採取一連串的風險管控措施以應對疫情帶來的影響：

- 集團配合金管局為個人及工商客戶推行一系列的紓困措施，以緩解其面對的財務壓力及疫情的影響。審批紓困措施相關貸款與其他授信准入標準一致，還款條款也是按商業準則進行調整，因此紓困措施項下貸款不會自動觸發階段遷移至第二階段及第三階段，亦不會分類為經重組貸款。
- 集團對受新冠肺炎疫情影響較大的行業進行風險評估（包括貿易、零售、航空、旅遊（包括酒店業）、餐飲、娛樂等），對客戶受到疫情的影響、應對措施及短期再融資方案逐一評估，以識別受影響客戶，並納入觀察名單以作持續密切監控，客戶的資產評級及內部評級會根據其最新狀況重檢。
- 集團以不同影響程度的新冠肺炎疫情情景進行壓力測試，以評估對信貸損失及資產質量的潛在影響。

3.1 Credit risk (continued)

(D) Credit risk management in response to COVID-19 pandemic

The rapid global spread of COVID-19 pandemic during the first half of 2020 has severely disrupted the economic activities and operations of our customers, the Group has taken a series of risk control measures in response to the adverse impact from the pandemic:

- The Group coordinated with the HKMA in launching various relief measures for individuals and commercial customers, in order to alleviate the financial pressure and the impact of the pandemic. The underwriting standards of the loans under relief measures are consistent with other credits and the repayment terms are revised on commercial basis. Therefore, loans under relief measures do not automatically trigger the migration to Stage 2 and Stage 3, and are not classified as rescheduled advances.
- The Group has conducted risk-based assessments on those industries which are more affected by the impact of COVID-19 pandemic (including Trading, Retail, Aviation, Tourism (including hospitality), Catering, Entertainment etc.). Impacts of the pandemic on affected customers, their respective mitigation measures and short-term refinancing plans were also assessed, vulnerable borrowers were identified and put into the watchlist for on-going close monitoring. The loan classification and internal ratings of these borrowers were reviewed according to their latest situation.
- The Group performed stress tests of different scenarios of containment of COVID-19 pandemic to assess the potential impacts on credit loss and asset quality.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.1 信貸風險 (續)

(D) 應對新冠肺炎疫情的
信貸風險管理 (續)

- 集團重檢及更新預期信貸損失模型所使用的宏觀經濟參數，以反映經濟前景的不確定性及因應新冠肺炎疫情影響而導致經濟環境進一步惡化的可能性，引致第一階段及第二階段減值準備上升。此外，集團對新冠肺炎疫情影響而納入監察名單中主要客戶的內部評級進行重檢，受影響的客戶評級因此下調，帶動第一階段及第二階段減值準備的增提，從而加強抵禦未來因經濟不明朗帶來的衝擊。

在當前充滿挑戰的經濟形勢下，集團會持續做好風險管理及維持審慎的授信准入條件，避免資產質量出現顯著惡化。

3.1 Credit risk (continued)

(D) Credit risk management in response to COVID-19 pandemic (continued)

- The Group reviewed and updated the forward looking macro-economic factors used in ECL computation to reflect the uncertain economic outlook and possible further deterioration in the economic environments due to impact of COVID-19 pandemic, which resulted in an increase in Stage 1 and Stage 2 impairment allowance. In addition, the Group performed internal rating review of major customers being put into watchlist due to COVID-19 pandemic impacts, resulting in downgrades of those affected borrowers hence leading to additional Stage 1 and Stage 2 impairment allowance to withstand the uncertainty of future economic conditions.

In the current challenging economic situation, the Group will continue to maintain effective risk management framework and prudent underwriting standards to avoid significant deterioration in asset quality.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.2 市場風險

3.2 Market risk

(A) 風險值

(A) VaR

本集團採用風險值量度一般市場風險，並定期向風險委員會和高層管理人員報告。本集團採用統一的風險值計量模型，運用歷史模擬法，以過去2年歷史市場數據為參照，計算99%置信水平下及1天持有期內集團層面及各附屬機構的風險值，並設定本集團和各附屬機構的風險值限額。

The Group uses the VaR to measure and report general market risks to the RMC and senior management on a periodic basis. The Group adopts a uniformed VaR calculation model, using a historical simulation approach and two years of historical market data, to calculate the VaR of the Group and its subsidiaries over a one-day holding period with a 99% confidence level, and sets up the VaR limit of the Group and its subsidiaries.

下表詳述本集團一般市場風險持倉的風險值¹。

The following table sets out the VaR for all general market risk exposures¹ of the Group.

	年份 Year	上半年 最低數值 Minimum	上半年 最高數值 Maximum	上半年 平均數值 Average		
		於 6 月 30 日 At 30 June	for the first half of year	for the first half of year	for the first half of year	
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m		
全部市場風險之風險值	VaR for all market risk	2020 2019	38.7 48.1	17.5 23.2	44.1 48.1	30.6 30.5
匯率風險之風險值	VaR for foreign exchange risk	2020 2019	27.5 11.7	6.5 7.7	29.3 21.1	14.8 14.6
交易賬利率風險之風險值	VaR for interest rate risk in the trading book	2020 2019	26.0 20.7	13.2 9.8	35.6 24.5	24.7 17.6
交易賬股票風險之風險值	VaR for equity risk in the trading book	2020 2019	0.8 0.6	0.3 0.2	2.9 2.5	0.8 0.5
商品風險之風險值	VaR for commodity risk	2020 2019	0.4 41.5	- 10.4	2.5 42.1	0.6 22.2

註：

1. 不包括結構性外匯敞口的風險值。

Note:

1. Structural FX positions have been excluded.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(A) 風險值 (續)

(A) VaR (continued)

雖然風險值是量度市場風險的一項重要指標，但也有其局限性，例如：

Although there is a valuable guide to market risk, VaR should always be viewed in the context of its limitations. For example:

- 採用歷史市場數據估計未來動態未能顧及所有可能出現的情況，尤其是一些極端情況；

- the use of historical market data as a proxy for estimating future events may not encompass all potential events, particularly those which are extreme in nature;

- 1天持有期的計算方法假設所有頭盤均可以在一日內套現或對沖。這項假設未必能完全反映市場風險，尤其在市場流通度極低時，可能未及在1天持有期內套現或對沖所有頭盤；

- the use of a one-day holding period assumes that all positions can be liquidated or hedged in one day. This may not fully reflect the market risk arising at times of severe illiquidity, when a one-day holding period may be insufficient to liquidate or hedge all positions fully;

- 根據定義，當採用99%置信水平時，即未有考慮在此置信水平以外或會出現的虧損；以及

- the use of a 99% confidence level, by definition, does not take into account losses that might occur beyond this level of confidence; and

- 風險值是以營業時間結束時的頭盤作計算基準，因此並不一定反映交易時段內的風險。

- VaR is calculated on the basis of exposures outstanding at the close of business and therefore does not necessarily reflect intra-day exposures.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(A) 風險值 (續)

(A) VaR (continued)

本集團充分了解風險值指標的局限性，因此，制定了壓力測試指標及限額以評估和管理風險值不能涵蓋的市場風險。市場風險壓力測試包括按不同風險因素改變的嚴峻程度所作的敏感性測試，以及對歷史事件的情景分析，如1987股災、1994債券市場危機、1997亞洲金融風暴、2001年美國911事件以及2008金融海嘯等。

The Group recognises these limitations by formulating stress test indicators and limits to assess and manage the market risk uncovered by VaR. The stress testing programme of the market risk includes sensitivity testing on changes in risk factors with various degrees of severity, as well as scenario analysis on historical events including the 1987 Equity Market Crash, 1994 Bond Market Crash, 1997 Asian Financial Crisis, 2001 9-11 event and 2008 Financial Tsunami, etc.

(B) 外匯風險

(B) Currency risk

本集團的資產及負債集中在港元、美元及人民幣等主要貨幣。為確保外匯風險承擔保持在可接受水平，本集團利用風險限額（例如頭盤及風險值限額）作為監控工具。此外，本集團致力於減少同一貨幣的資產與負債錯配，並通常利用外匯合約（例如外匯掉期）管理由外幣資產負債所產生的外匯風險。

The Group's assets and liabilities are denominated in major currencies, particularly HK Dollar, US Dollar and Renminbi. To ensure the currency risk exposure of the Group is kept to an acceptable level, risk limits (e.g. Position and VaR limit) are used to serve as a monitoring tool. Moreover, the Group seeks to minimise the gap between assets and liabilities in the same currency. Foreign exchange contracts (e.g. FX swaps) are usually used to manage FX risk associated with foreign currency-denominated assets and liabilities.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.2 市場風險 (續)

(B) 外匯風險 (續)

下表列出本集團因自營交易、非自營交易及結構性倉盤而產生之主要外幣風險額，並參照有關持有外匯情況之金管局報表的填報指示而編製。期權盤淨額乃根據所有外匯期權合約之「得爾塔加權持倉」為基礎計算。

3.2 Market risk (continued)

(B) Currency risk (continued)

The following is a summary of the Group's major foreign currency exposures arising from trading, non-trading and structural positions and is prepared with reference to the completion instructions for the HKMA return of foreign currency position. The net options position is calculated based on the basis of delta-weighted positions of all foreign exchange options contracts.

於 2020 年 6 月 30 日

At 30 June 2020

港幣百萬元等值

Equivalent in million of HK\$

		美元 US Dollars	英鎊 Pound Sterling	日圓 Japanese Yen	歐羅 Euro	人民幣 Renminbi	澳元 Australian Dollars	其他外幣 Other foreign currencies	外幣總額 Total foreign currencies
現貨資產	Spot assets	903,579	26,515	103,656	46,384	267,902	33,627	73,902	1,455,565
現貨負債	Spot liabilities	(801,730)	(19,719)	(8,096)	(29,380)	(265,465)	(28,429)	(76,346)	(1,229,165)
遠期買入	Forward purchases	903,362	22,655	12,329	50,404	502,372	15,799	53,243	1,560,164
遠期賣出	Forward sales	(992,196)	(29,227)	(107,856)	(67,352)	(503,014)	(20,973)	(50,752)	(1,771,370)
期權盤淨額	Net options position	(144)	(25)	1	7	(73)	(31)	59	(206)
長 / (短) 盤淨額	Net long/(short) position	12,871	199	34	63	1,722	(7)	106	14,988

於 2019 年 12 月 31 日

At 31 December 2019

港幣百萬元等值

Equivalent in million of HK\$

		美元 US Dollars	英鎊 Pound Sterling	日圓 Japanese Yen	歐羅 Euro	人民幣 Renminbi	澳元 Australian Dollars	其他外幣 Other foreign currencies	外幣總額 Total foreign currencies
現貨資產	Spot assets	836,139	29,513	123,344	40,611	272,977	37,785	70,894	1,411,263
現貨負債	Spot liabilities	(800,834)	(17,530)	(13,099)	(25,326)	(262,978)	(24,821)	(67,571)	(1,212,159)
遠期買入	Forward purchases	987,222	21,177	35,349	49,566	529,913	20,718	50,291	1,694,236
遠期賣出	Forward sales	(1,021,888)	(33,139)	(145,612)	(64,801)	(538,243)	(33,632)	(54,187)	(1,891,502)
期權盤淨額	Net options position	144	56	4	(86)	(293)	(15)	(24)	(214)
長 / (短) 盤淨額	Net long/(short) position	783	77	(14)	(36)	1,376	35	(597)	1,624

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(B) 外匯風險 (續)

(B) Currency risk (continued)

於 2020 年 6 月 30 日

At 30 June 2020

港幣百萬元等值

Equivalent in million of HK\$

	美元 US Dollars	泰銖 Baht	馬來西亞 林吉特 Malaysian Ringgit	菲律賓 披索 Philippine Peso	其他外幣 Other foreign currencies	外幣總額 Total foreign currencies
結構性倉盤淨額 Net structural position	29,721	2,561	2,841	1,793	4,616	41,532

於 2019 年 12 月 31 日

At 31 December 2019

港幣百萬元等值

Equivalent in million of HK\$

	美元 US Dollars	泰銖 Baht	馬來西亞 林吉特 Malaysian Ringgit	菲律賓 披索 Philippine Peso	其他外幣 Other foreign currencies	外幣總額 Total foreign currencies
結構性倉盤淨額 Net structural position	29,052	2,625	2,903	1,737	4,523	40,840

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(C) 利率風險

(C) Interest rate risk

下表概述了本集團於2020年6月30日及2019年12月31日之資產負債表內的利率風險承擔。表內以賬面值列示資產及負債，並按合約重訂息率日期或到期日（以較早者為準）分類。

The tables below summarise the Group's on-balance sheet exposure to interest rate risk as at 30 June 2020 and 31 December 2019. Included in the tables are the assets and liabilities at carrying amounts, categorised by the earlier of contractual repricing date and maturity date.

		於2020年6月30日						
		At 30 June 2020						
		一個月內 Up to 1 month	一至 三個月 1 to 3 months	三至 十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
資產	Assets							
庫存現金及在銀行及其他金融機構之結餘及定期存放	Cash and balances and placements with banks and other financial institutions	248,662	14,846	38,525	395	-	106,811	409,239
以公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	3,756	13,946	4,614	6,138	2,857	56	31,367
衍生金融工具	Derivative financial instruments	-	-	-	-	-	44,379	44,379
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	-	-	-	-	-	175,330	175,330
貸款及其他賬項	Advances and other accounts	1,191,453	231,629	31,570	42,578	6,081	6,349	1,509,660
證券投資	Investment in securities							
- 以公平值變化計入其他全面收益	- At FVOCI	69,558	162,954	167,328	182,339	102,163	3,718	688,060
- 以攤餘成本計量	- At amortised cost	1,151	1,129	17,650	25,504	17,920	-	63,354
聯營公司及合資企業權益	Interests in associates and joint ventures	-	-	-	-	-	644	644
投資物業	Investment properties	-	-	-	-	-	19,889	19,889
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	49,780	49,780
其他資產（包括應收稅項及遞延稅項資產）	Other assets (including current and deferred tax assets)	25,815	-	-	-	-	48,197	74,012
資產總額	Total assets	1,540,395	424,504	259,687	256,954	129,021	455,153	3,065,714

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(C) 利率風險 (續)

(C) Interest rate risk (continued)

於 2020 年 6 月 30 日

At 30 June 2020

		一個月內 Up to 1 month	一至 三個月 1 to 3 months	三至 十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
負債	Liabilities							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	-	-	-	-	-	175,330	175,330
銀行及其他金融機構之存款及 結餘	Deposits and balances from banks and other financial institutions	242,223	7,364	1,249	1,335	-	18,060	270,231
以公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	661	6,225	2,902	649	421	-	10,858
衍生金融工具	Derivative financial instruments	-	-	-	-	-	53,066	53,066
客戶存款	Deposits from customers	1,494,439	289,199	113,072	3,754	-	247,390	2,147,854
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	-	-	-	-	-	-	-
其他賬項及準備 (包括應付稅項 及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)	18,460	48	93	770	359	90,522	110,252
後償負債	Subordinated liabilities	-	-	-	-	-	-	-
負債總額	Total liabilities	1,755,783	302,836	117,316	6,508	780	584,368	2,767,591
利率敏感度缺口	Interest sensitivity gap	(215,388)	121,668	142,371	250,446	128,241	(129,215)	298,123

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(C) 利率風險 (續)

(C) Interest rate risk (continued)

於 2019 年 12 月 31 日

At 31 December 2019

	一個月內 Up to 1 month	一至 三個月 1 to 3 months	三至 十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
資產	Assets						
庫存現金及在銀行及其他金融機構之結餘及定期存放	Cash and balances and placements with banks and other financial institutions						
	247,810	25,193	6,201	-	-	87,432	366,636
以公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss						
	9,684	17,216	7,740	8,871	3,111	40	46,662
衍生金融工具	Derivative financial instruments						
	-	-	-	-	-	31,167	31,167
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness						
	-	-	-	-	-	163,840	163,840
貸款及其他賬項	Advances and other accounts						
證券投資	Investment in securities						
- 以公平值變化計入其他全面收益	- At FVOCI						
	123,257	165,711	109,874	167,811	101,004	3,288	670,945
- 以攤餘成本計量	- At amortised cost						
	1,849	4,888	10,080	38,407	13,166	-	68,390
聯營公司及合資企業權益	Interests in associates and joint ventures						
	-	-	-	-	-	619	619
投資物業	Investment properties						
	-	-	-	-	-	20,428	20,428
物業、器材及設備	Properties, plant and equipment						
	-	-	-	-	-	51,173	51,173
其他資產 (包括應收稅項及遞延稅項資產)	Other assets (including current and deferred tax assets)						
	14,170	-	-	-	-	28,023	42,193
資產總額	Total assets						
	1,538,631	391,512	169,593	258,665	122,407	393,746	2,874,554

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.2 市場風險 (續)

3.2 Market risk (continued)

(C) 利率風險 (續)

(C) Interest rate risk (continued)

於 2019 年 12 月 31 日

At 31 December 2019

		一個月內 Up to 1 month	一至 三個月 1 to 3 months	三至 十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不計息 Non- interest bearing	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
負債	Liabilities							
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	-	-	-	-	-	163,840	163,840
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	236,747	1,271	897	1,628	-	27,114	267,657
以公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	2,843	6,046	9,202	724	391	-	19,206
衍生金融工具	Derivative financial instruments	-	-	-	-	-	32,833	32,833
客戶存款	Deposits from customers	1,411,486	295,979	139,866	4,577	-	162,184	2,014,092
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	-	116	-	-	-	-	116
其他賬項及準備 (包括應付稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)	19,556	6	114	968	721	59,861	81,226
後償負債	Subordinated liabilities	-	12,954	-	-	-	-	12,954
負債總額	Total liabilities	1,670,632	316,372	150,079	7,897	1,112	445,832	2,591,924
利率敏感度缺口	Interest sensitivity gap	(132,001)	75,140	19,514	250,768	121,295	(52,086)	282,630

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.3 流動資金風險

3.3 Liquidity risk

(A) 流動性覆蓋比率及穩定資金淨額比率

(A) Liquidity coverage ratio and net stable funding ratio

	2020	2019
流動性覆蓋比率的平均值		
- 第一季度	150.45%	183.00%
- 第二季度	131.38%	156.57%

流動性覆蓋比率的平均值是基於該季度的每個工作日終結時的流動性覆蓋比率的算術平均數及有關流動性狀況之金管局報表列明的計算方法及指示計算。

Average value of liquidity coverage ratio

- First quarter

- Second quarter

Average value of liquidity coverage ratio is calculated based on the arithmetic mean of the liquidity coverage ratio as at the end of each working day in the quarter and the calculation methodology and instructions set out in the HKMA return of liquidity position.

	2020	2019
穩定資金淨額比率的季度終結值		
- 第一季度	116.60%	121.36%
- 第二季度	117.49%	119.15%

穩定資金淨額比率的季度終結值是基於有關穩定資金狀況之金管局報表列明的計算方法及指示計算。

Quarter-end value of net stable funding ratio

- First quarter

- Second quarter

Quarter-end value of net stable funding ratio is calculated based on the calculation methodology and instructions set out in the HKMA return of stable funding position.

流動性覆蓋比率及穩定資金淨額比率是以綜合基礎計算，並根據《銀行業（流動性）規則》由中銀香港及其部分金管局指定之附屬公司組成。

Liquidity coverage ratio and net stable funding ratio are computed on the consolidated basis which comprise the positions of BOCHK and certain subsidiaries specified by the HKMA in accordance with the Banking (Liquidity) Rules.

有關流動性覆蓋比率及穩定資金淨額比率披露的補充資料可於中銀香港網頁 www.bochk.com 中「監管披露」一節瀏覽。

The additional information of liquidity coverage ratio and net stable funding ratio disclosures is available under the section "Regulatory Disclosures" on BOCHK's website at www.bochk.com.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.3 流動資金風險 (續)

3.3 Liquidity risk (continued)

(B) 到期日分析

(B) Maturity analysis

下表為本集團於2020年6月30日及2019年12月31日之資產及負債的到期日分析，按於結算日時，資產及負債相距合約到期日的剩餘期限分類。

The tables below analyse the Group's assets and liabilities as at 30 June 2020 and 31 December 2019 into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date.

		於2020年6月30日 At 30 June 2020							
		即期 On demand	一個月內 Up to 1 month	一至 三個月 1 to 3 months	三至 十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不確定 日期 Indefinite	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
資產	Assets								
庫存現金及在銀行及其他金融機構之結餘及定期存放	Cash and balances and placements with banks and other financial institutions	252,486	102,987	14,455	38,136	1,175	-	-	409,239
以公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	-	3,725	13,825	4,642	6,276	2,843	56	31,367
衍生金融工具	Derivative financial instruments	14,449	1,364	2,374	4,229	12,579	9,384	-	44,379
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	175,330	-	-	-	-	-	-	175,330
貸款及其他賬項	Advances and other accounts	239,677	49,428	67,782	216,731	609,470	324,982	1,590	1,509,660
證券投資	Investment in securities	-	-	-	-	-	-	-	-
- 以公平值變化計入其他全面收益	- At FVOCI	-	59,430	143,670	174,431	202,241	104,570	3,718	688,060
- 以攤餘成本計量	- At amortised cost	-	1,316	1,234	17,226	25,713	17,865	-	63,354
聯營公司及合資企業權益	Interests in associates and joint ventures	-	-	-	-	-	-	644	644
投資物業	Investment properties	-	-	-	-	-	-	19,889	19,889
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	-	49,780	49,780
其他資產(包括應收稅項及遞延稅項資產)	Other assets (including current and deferred tax assets)	34,810	38,026	187	862	104	-	23	74,012
資產總額	Total assets	716,752	256,276	243,527	456,257	857,558	459,644	75,700	3,065,714
負債	Liabilities								
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	175,330	-	-	-	-	-	-	175,330
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	182,633	77,650	7,364	1,249	1,335	-	-	270,231
以公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	-	661	6,228	2,902	649	418	-	10,858
衍生金融工具	Derivative financial instruments	13,253	1,310	1,874	4,293	17,744	14,592	-	53,066
客戶存款	Deposits from customers	1,296,461	445,368	289,199	113,072	3,754	-	-	2,147,854
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	-	-	-	-	-	-	-	-
其他賬項及準備(包括應付稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)	31,184	63,903	420	7,017	7,594	134	-	110,252
後償負債	Subordinated liabilities	-	-	-	-	-	-	-	-
負債總額	Total liabilities	1,698,861	588,892	305,085	128,533	31,076	15,144	-	2,767,591
流動資金缺口	Net liquidity gap	(982,109)	(332,616)	(61,558)	327,724	826,482	444,500	75,700	298,123

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.3 流動資金風險 (續) 3.3 Liquidity risk (continued)

(B) 到期日分析 (續) (B) Maturity analysis (continued)

		於 2019 年 12 月 31 日 At 31 December 2019							
		即期 On demand	一個月內 Up to 1 month	一至 三個月 1 to 3 months	三至 十二個月 3 to 12 months	一至五年 1 to 5 years	五年以上 Over 5 years	不確定 日期 Indefinite	總計 Total
		港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m	港幣 百萬元 HK\$m
資產	Assets								
庫存現金及在銀行及其他金融機構之結餘及定期存放	Cash and balances and placements with banks and other financial institutions	244,731	90,511	24,799	5,810	785	-	-	366,636
以公平值變化計入損益之金融資產	Financial assets at fair value through profit or loss	-	9,649	16,903	7,794	9,182	3,094	40	46,662
衍生金融工具	Derivative financial instruments	11,662	2,561	3,574	4,981	5,399	2,990	-	31,167
香港特別行政區政府負債證明書	Hong Kong SAR Government certificates of indebtedness	163,840	-	-	-	-	-	-	163,840
貸款及其他賬項	Advances and other accounts	210,109	47,032	58,341	167,062	619,292	309,478	1,187	1,412,501
證券投資	Investment in securities								
- 以公平值變化計入其他全面收益	- At FVOCI	-	113,573	141,875	118,179	191,726	102,304	3,288	670,945
- 以攤餘成本計量	- At amortised cost	-	2,031	4,962	9,742	38,517	13,138	-	68,390
聯營公司及合資企業權益	Interests in associates and joint ventures	-	-	-	-	-	-	619	619
投資物業	Investment properties	-	-	-	-	-	-	20,428	20,428
物業、器材及設備	Properties, plant and equipment	-	-	-	-	-	-	51,173	51,173
其他資產 (包括應收稅項及遞延稅項資產)	Other assets (including current and deferred tax assets)	25,481	16,016	270	355	61	-	10	42,193
資產總額	Total assets	655,823	281,373	250,724	313,923	864,962	431,004	76,745	2,874,554
負債	Liabilities								
香港特別行政區流通紙幣	Hong Kong SAR currency notes in circulation	163,840	-	-	-	-	-	-	163,840
銀行及其他金融機構之存款及結餘	Deposits and balances from banks and other financial institutions	168,004	95,857	1,271	897	1,628	-	-	267,657
以公平值變化計入損益之金融負債	Financial liabilities at fair value through profit or loss	-	2,843	6,049	9,202	724	388	-	19,206
衍生金融工具	Derivative financial instruments	9,576	2,517	3,051	5,184	7,549	4,956	-	32,833
客戶存款	Deposits from customers	1,110,519	463,151	295,979	139,866	4,577	-	-	2,014,092
已發行債務證券及存款證	Debt securities and certificates of deposit in issue	-	-	116	-	-	-	-	116
其他賬項及準備 (包括應付稅項及遞延稅項負債)	Other accounts and provisions (including current and deferred tax liabilities)	31,959	35,525	2,110	3,444	8,011	177	-	81,226
後償負債	Subordinated liabilities	-	-	12,954	-	-	-	-	12,954
負債總額	Total liabilities	1,483,898	599,893	321,530	158,593	22,489	5,521	-	2,591,924
流動資金缺口	Net liquidity gap	(828,075)	(318,520)	(70,806)	155,330	842,473	425,483	76,745	282,630

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.3 流動資金風險 (續)

3.3 Liquidity risk (continued)

(B) 到期日分析 (續)

(B) Maturity analysis (continued)

上述到期日分類乃按照《銀行業(披露)規則》之相關條文而編製。本集團將逾期不超過 1 個月之資產，例如貸款及債務證券列為「即期」資產。對於按不同款額或分期償還之資產，只有該資產中實際逾期之部分被視作逾期。其他未到期之部分仍繼續根據剩餘期限分類，但假若對該資產之償還存有疑慮，則將該等款項列為「不確定日期」。上述列示之資產已扣除任何相關準備(如有)。

按尚餘到期日對債務證券之分析是根據合約到期日分類。所作披露不代表此等證券將持有至到期日。

The above maturity classifications have been prepared in accordance with relevant provisions under the Banking (Disclosure) Rules. The Group has reported assets such as advances and debt securities which have been overdue for not more than one month as "On demand". In the case of an asset that is repayable by different payments or instalments, only that portion of the asset that is actually overdue is reported as overdue. Any part of the asset that is not due is reported according to the residual maturity unless the repayment of the asset is in doubt in which case the amount is reported as "Indefinite". The above assets are stated after deduction of provisions, if any.

The analysis of debt securities by remaining period to maturity is based on contractual maturity date. The disclosure does not imply that the securities will be held to maturity.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.4 資本管理

本集團已採用基礎內部評級基準計算法計算大部分非證券化類別風險承擔的信貸風險資本要求。剩餘小部分信貸風險承擔按標準(信貸風險)計算法計算。本集團採用標準信貸估值調整方法，計算具有信貸估值調整風險的交易對手資本要求。

本集團繼續採用內部模式計算法計算外匯及利率的一般市場風險資本要求，並獲金管局批准豁免計算結構性外匯敞口產生的市場風險資本要求。本集團繼續採用標準(市場風險)計算法計算其餘市場風險資本要求。

本集團繼續採用標準(業務操作風險)計算法計算操作風險資本要求。

(A) 監管綜合基礎

監管規定的綜合基礎乃根據《銀行業(資本)規則》由中銀香港及其部分金管局指定之附屬公司組成。在會計處理方面，則按照香港財務報告準則綜合附屬公司，其名單載於「附錄—本銀行之附屬公司」。

3.4 Capital management

The Group has adopted the foundation internal ratings-based (“FIRB”) approach to calculate the credit risk capital charge for the majority of its non-securitisation exposures. Small residual credit exposures are remained under the standardised (credit risk) (“STC”) approach. The Group has adopted the standardised credit valuation adjustment (“CVA”) method to calculate the capital charge for the CVA risk of the counterparty.

The Group continues to adopt the internal models (“IMM”) approach to calculate the general market risk capital charge for foreign exchange and interest rate exposures and, with the approval from the HKMA, exclude its structural FX positions in the calculation of the market risk capital charge. The Group continues to adopt the standardised (market risk) (“STM”) approach to calculate the market risk capital charge for the remaining exposures.

The Group continues to adopt the standardised (operational risk) (“STO”) approach to calculate the operational risk capital charge.

(A) Basis of regulatory consolidation

The consolidation basis for regulatory purposes comprises the positions of BOCHK and certain subsidiaries specified by the HKMA in accordance with the Banking (Capital) Rules. For accounting purposes, subsidiaries are consolidated in accordance with HKFRSs and the list of subsidiaries is set out in “Appendix – Subsidiaries of the Bank”.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.4 資本管理 (續)

3.4 Capital management (continued)

(A) 監管綜合基礎 (續)

(A) Basis of regulatory consolidation (continued)

包括在會計準則綜合範圍，而不包括在監管規定綜合範圍內的附屬公司之詳情如下：

The particulars of subsidiaries which are included within the accounting scope of consolidation but not included within the regulatory scope of consolidation are as follows:

名稱	Name	於 2020 年 6 月 30 日 At 30 June 2020		於 2019 年 12 月 31 日 At 31 December 2019	
		資產總額 Total assets 港幣百萬元 HK\$'m	資本總額 Total equity 港幣百萬元 HK\$'m	資產總額 Total assets 港幣百萬元 HK\$'m	資本總額 Total equity 港幣百萬元 HK\$'m
中銀集團信託人有限公司	BOC Group Trustee Company Limited	200	200	200	200
中銀國際英國保誠信託有限公司	BOCI-Prudential Trustee Limited	521	450	612	483
China Bridge (Malaysia) Sdn. Bhd.	China Bridge (Malaysia) Sdn. Bhd.	21	14	56	36
中國銀行(香港)代理人有限公司	Bank of China (Hong Kong) Nominees Limited	-	-	-	-
中國銀行(香港)信託有限公司	Bank of China (Hong Kong) Trustees Limited	12	12	12	11
中銀金融服務(南寧)有限公司	BOC Financial Services (Nanning) Company Limited	168	9	173	42
中銀信息科技(深圳)有限公司	BOCHK Information Technology (Shenzhen) Co., Ltd.	447	261	401	255
中銀信息技術服務(深圳)有限公司	BOCHK Information Technology Services (Shenzhen) Co., Ltd.	409	348	418	348
浙興(代理人)有限公司	Che Hsing (Nominees) Limited	1	1	1	1
寶生金融投資服務有限公司	Po Sang Financial Investment Services Company Limited	363	345	364	345
寶生證券及期貨有限公司	Po Sang Securities and Futures Limited	1,057	391	664	373
新僑企業有限公司	Sin Chiao Enterprises Corporation, Limited	6	6	6	6
新華信託有限公司	Sin Hua Trustee Limited	4	4	5	5
Billion Express Development Inc.	Billion Express Development Inc.	-	-	-	-
Billion Orient Holdings Ltd.	Billion Orient Holdings Ltd.	-	-	-	-
Elite Bond Investments Ltd.	Elite Bond Investments Ltd.	-	-	-	-
Express Capital Enterprise Inc.	Express Capital Enterprise Inc.	-	-	-	-

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

3. 金融風險管理 (續) **3. Financial risk management (continued)**

3.4 資本管理 (續)

3.4 Capital management (continued)

(A) 監管綜合基礎 (續)

(A) Basis of regulatory consolidation (continued)

名稱	Name	於 2020 年 6 月 30 日		於 2019 年 12 月 31 日	
		At 30 June 2020		At 31 December 2019	
		資產總額	資本總額	資產總額	資本總額
		Total assets	Total equity	Total assets	Total equity
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m	HK\$m
Express Charm Holdings Corp.	Express Charm Holdings Corp.	-	-	-	-
Express Shine Assets Holdings Corp.	Express Shine Assets Holdings Corp.	-	-	-	-
Express Talent Investment Ltd.	Express Talent Investment Ltd.	-	-	-	-
Gold Medal Capital Inc.	Gold Medal Capital Inc.	-	-	-	-
Gold Tap Enterprises Inc.	Gold Tap Enterprises Inc.	-	-	-	-
Maxi Success Holdings Ltd.	Maxi Success Holdings Ltd.	-	-	-	-
Smart Linkage Holdings Inc.	Smart Linkage Holdings Inc.	-	-	-	-
Smart Union Capital Investments Ltd.	Smart Union Capital Investments Ltd.	-	-	-	-
Success Trend Development Ltd.	Success Trend Development Ltd.	-	-	-	-
Wise Key Enterprises Corp.	Wise Key Enterprises Corp.	-	-	-	-

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續) 3. Financial risk management (continued)

3.4 資本管理 (續)

3.4 Capital management (continued)

(A) 監管綜合基礎 (續)

(A) Basis of regulatory consolidation (continued)

以上附屬公司的主要業務載於「附錄—本銀行之附屬公司」。

The principal activities of the above subsidiaries are set out in "Appendix – Subsidiaries of the Bank".

於 2020 年 6 月 30 日，並無任何附屬公司只包括在監管規定綜合範圍，而不包括在會計準則綜合範圍（2019 年 12 月 31 日：無）。

There were no subsidiaries which are included within the regulatory scope of consolidation but not included within the accounting scope of consolidation as at 30 June 2020 (31 December 2019: Nil).

於 2020 年 6 月 30 日，亦無任何附屬公司同時包括在會計準則和監管規定綜合範圍而使用不同綜合方法（2019 年 12 月 31 日：無）。

There were also no subsidiaries which are included within both the accounting scope of consolidation and the regulatory scope of consolidation where the methods of consolidation differ as at 30 June 2020 (31 December 2019: Nil).

本集團在不同國家／地區經營附屬公司，這些公司的資本須受當地規則監管，而本集團成員公司之間相互轉讓資金或監管資本，亦可能受到限制。

The Group operates subsidiaries in different countries/regions where capital is governed by local rules and there may be restrictions on the transfer of funds or regulatory capital between the members of the Group.

(B) 資本比率

(B) Capital ratio

資本比率分析如下：

The capital ratios are analysed as follows:

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
普通股權一級資本比率	CET1 capital ratio	18.52%	17.76%
一級資本比率	Tier 1 capital ratio	20.52%	19.90%
總資本比率	Total capital ratio	23.11%	22.89%

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.4 資本管理 (續)

3.4 Capital management (continued)

(B) 資本比率 (續)

(B) Capital ratio (continued)

用於計算以上資本比率之扣減後的綜合資本基礎分析如下：

The consolidated capital base after deductions used in the calculation of the above capital ratios is analysed as follows:

		於 2020 年 6 月 30 日 At 30 June 2020 港幣百萬元 HK\$'m	於 2019 年 12 月 31 日 At 31 December 2019 港幣百萬元 HK\$'m
普通股權一級(CET1)資本：票據及儲備	CET1 capital: instruments and reserves		
直接發行的合資格 CET1 資本票據	Directly issued qualifying CET1 capital instruments	43,043	43,043
保留溢利	Retained earnings	184,542	164,113
已披露儲備	Disclosed reserves	46,433	51,309
		274,018	258,465
監管扣減之前的 CET1 資本	CET1 capital before regulatory deductions		
CET1 資本：監管扣減	CET1 capital: regulatory deductions		
估值調整	Valuation adjustments	(169)	(65)
遞延稅項資產（已扣除相聯的遞延稅項負債）	Deferred tax assets (net of associated deferred tax liabilities)	(63)	(62)
按公平價值估值的負債因本身的信用風險變動所產生的損益	Gains and losses due to changes in own credit risk on fair valued liabilities	(49)	237
因土地及建築物（自用及投資用途）進行價值重估而產生的累積公平價值收益	Cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties)	(51,510)	(52,459)
一般銀行業務風險監管儲備	Regulatory reserve for general banking risks	(5,667)	(11,077)
		(57,458)	(63,426)
對 CET1 資本的監管扣減總額	Total regulatory deductions to CET1 capital		
		216,560	195,039
CET1 資本	CET1 capital		

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.4 資本管理 (續)

3.4 Capital management (continued)

(B) 資本比率 (續)

(B) Capital ratio (continued)

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
AT1 資本：票據 合資格 AT1 資本票據根 據適用會計準則列為 股本類別	AT1 capital: instruments Qualifying AT1 capital instruments classified as equity under applicable accounting standards	23,476	23,476
AT1 資本	AT1 capital	23,476	23,476
一級資本	Tier 1 capital	240,036	218,515
二級資本：票據及準備金 須從二級資本逐步遞減 的資本票據	Tier 2 capital: instruments and provisions Capital instruments subject to phase-out arrangements from Tier 2 capital	-	2,505
合資格計入二級資本的 集體準備金及一般銀 行業務風險監管儲備	Collective provisions and regulatory reserve for general banking risks eligible for inclusion in Tier 2 capital	7,043	6,743
監管扣減之前的二級資本	Tier 2 capital before regulatory deductions	7,043	9,248
二級資本：監管扣減 加回合資格計入二級資 本的因土地及建築物 (自用及投資用途) 進行價值重估而產生 的累積公平價值收益	Tier 2 capital: regulatory deductions Add back of cumulative fair value gains arising from the revaluation of land and buildings (own-use and investment properties) eligible for inclusion in Tier 2 capital	23,179	23,607
對二級資本的監管扣減 總額	Total regulatory adjustments to Tier 2 capital	23,179	23,607
二級資本	Tier 2 capital	30,222	32,855
監管資本總額	Total regulatory capital	270,258	251,370

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

3. 金融風險管理 (續)

3. Financial risk management (continued)

3.4 資本管理 (續)

3.4 Capital management (continued)

(B) 資本比率 (續)

(B) Capital ratio (continued)

緩衝資本比率分析如下：

The capital buffer ratios are analysed as follows:

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
防護緩衝資本比率	Capital conservation buffer ratio	<u>2.500%</u>	<u>2.500%</u>
較高吸收虧損能力 比率	Higher loss absorbency ratio	<u>1.500%</u>	<u>1.500%</u>
逆周期緩衝資本比率	Countercyclical capital buffer ratio	<u>0.778%</u>	<u>1.552%</u>

有關資本比率披露的補充資料可於中銀香港網頁 www.bochk.com 中「監管披露」一節瀏覽。

The additional information of capital ratio disclosures is available under the section "Regulatory Disclosures" on BOCHK's website at www.bochk.com.

(C) 槓桿比率

(C) Leverage ratio

槓桿比率分析如下：

The leverage ratio is analysed as follows:

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
一級資本	Tier 1 capital	<u>240,036</u>	<u>218,515</u>
槓桿比率風險承擔	Leverage ratio exposure	<u>2,960,539</u>	<u>2,799,606</u>
槓桿比率	Leverage ratio	<u>8.11%</u>	<u>7.81%</u>

有關槓桿比率披露的補充資料可於中銀香港網頁 www.bochk.com 中「監管披露」一節瀏覽。

The additional information of leverage ratio disclosures is available under the section "Regulatory Disclosures" on BOCHK's website at www.bochk.com.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平值 4. Fair values of financial assets and liabilities

所有以公平值計量或在財務報表內披露的金融工具，均按香港財務報告準則第13號「公平值計量」的定義，於公平值層級表內分類。該等分類乃參照估值方法所採用的因素之可觀察性及重大性，並基於對整體公平值計量有重大影響之最低層級因素來釐定：

- 第一層級：相同資產或負債在活躍市場中的報價（未經調整）。此層級包括在交易所上市的股份證券、部分政府發行的債務工具及若干場內交易的衍生工具合約。
- 第二層級：乃基於估值技術所採用的最低層級因素（同時需對整體公平值計量有重大影響）可被直接或間接地觀察。此層級包括大部分場外交易的衍生工具合約、從估值服務供應商獲取價格的債務證券及存款證、發行的結構性存款，以及其他債務工具。
- 第三層級：乃基於估值技術所採用的最低層級因素（同時需對整體公平值計量有重大影響）屬不可被觀察。此層級包括有重大不可觀察因素的股份投資、債務工具及若干場外交易的衍生工具合約。

All financial instruments for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy as defined in HKFRS 13, "Fair value measurement". The categorisation are determined with reference to the observability and significance of the inputs used in the valuation methods and based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1: based on quoted prices (unadjusted) in active markets for identical assets or liabilities. This category includes equity securities listed on exchange, debt instruments issued by certain governments and certain exchange-traded derivative contracts.
- Level 2: based on valuation techniques for which the lowest level input that is significant to the fair value measurement is observable, either directly or indirectly. This category includes majority of the over-the-counter ("OTC") derivative contracts, debt securities and certificates of deposit with quote from pricing services vendors, issued structured deposits and other debt instruments.
- Level 3: based on valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable. This category includes equity investment, debt instruments and certain OTC derivative contracts with significant unobservable components.

中期財務資料附註 Notes to the Interim Financial Information (continued) (續)

4. 金融資產和負債的公平值 (續) 4. Fair values of financial assets and liabilities (continued)

對於以重複基準確認於財務報表的金融工具，本集團會於每一財務報告週期的結算日重新評估其分類（基於對整體公平值計量有重大影響之最低層級因素），以確定有否在公平值層級之間發生轉移。

For financial instruments that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

4.1 以公平值計量的金融工具

4.1 Financial instruments measured at fair value

本集團建立了完善的公平值管治及控制架構，公平值數據由獨立於前線的控制單位確定或核實。各控制單位負責獨立核實前線業務之估值結果及重大公平值數據。其他特定控制程序包括核實可觀察的估值參數、審核新的估值模型及任何模型改動、根據可觀察的市場交易價格校準及回顧測試所採用的估值模型、深入分析日常重大估值變動、評估重大不可觀察估值參數及估值調整。重大估值事項將向高層管理人員、風險委員會及審計委員會匯報。

The Group has an established governance structure and controls framework to ensure that fair values are either determined or validated by control units independent of the front offices. Control units have overall responsibility for independent verification of valuation results from front line businesses and all other significant fair value measurements. Specific controls include verification of observable pricing inputs; review and approval for new models and changes to models; calibration and back-testing of models against observed market transactions; analysis and investigation of significant daily valuation movements; review of significant unobservable inputs and valuation adjustments. Significant valuation issues are reported to senior management, Risk Committee and Audit Committee.

一般而言，金融工具以單一工具為計量基礎。香港財務報告準則第 13 號允許在滿足特定條件的前提下，可以選用會計政策以同一投資組合下的金融資產及金融負債的淨敞口作為公平值的計量基礎。本集團的估值調整以單一工具為基礎，與金融工具的計量基礎一致。根據衍生金融工具的風險管理政策及系統，一些滿足特定條件的組合的公平值是按其淨敞口所獲得或支付的價格計量。組合層面的估值調整按照單一工具對於投資組合的相對比重分配到單一資產或負債。

Generally, the unit of account for a financial instrument is the individual instrument. HKFRS 13 permits a portfolio exception, through an accounting policy election, to measure the fair value of a portfolio of financial assets and financial liabilities on the basis of the net open risk position when certain criteria are met. The Group applies valuation adjustments at an individual instrument level, consistent with that unit of account. According to its risk management policies and systems to manage derivative financial instruments, the fair value of certain derivative portfolios that meet those criteria is measured on the basis of the price to be received or paid for net open risk. Those portfolio-level adjustments are allocated to the individual assets and liabilities on the basis of the relative size of each of the individual instruments in the portfolio.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平價值 (續) 4. Fair values of financial assets and liabilities (continued)

4.1 以公平值計量的金融工具 (續)

當無法從公開市場獲取報價時，本集團通過一些估值技術或經紀／交易商之詢價來確定金融工具的公平值。

對於本集團所持有的金融工具，其估值技術使用的主要參數包括債券價格、利率、匯率、權益及股票價格、商品價格、波幅及相關系數、交易對手信貸利差及其他等，主要為可從公開市場觀察及獲取的參數。

用以釐定以下金融工具公平值的估值方法如下：

債務證券及存款證及其他債務工具

此類工具的公平值由交易所、交易商或外間獨立估值服務供應商提供的市場報價或使用貼現現金流模型分析而決定。貼現現金流模型是一個利用預計未來現金流，以一個可反映市場上相類似風險的工具所需信貸息差之貼現率或貼現差額計量而成現值的估值技術。這些參數是市場上可觀察或由可觀察或不可觀察的市場數據證實。

資產抵押債券

這類工具由外間獨立第三者提供報價。有關的估值視乎交易性質以市場標準的現金流模型及估值參數(包括可觀察或由近似發行的價格矩陣編輯而成的貼現率差價、違約及收回率、及提前預付率)估算。

4.1 Financial instruments measured at fair value (continued)

The Group uses valuation techniques or broker/dealer quotations to determine the fair value of financial instruments when unable to obtain the open market quotation in active markets.

The main parameters used in valuation techniques for financial instruments held by the Group include bond prices, interest rates, foreign exchange rates, equity and stock prices, commodity prices, volatilities and correlations, counterparty credit spreads and others, which are mostly observable and obtainable from open market.

The technique used to calculate the fair value of the following financial instruments is as below:

Debt securities and certificates of deposit and other debt instruments

The fair value of these instruments is determined by obtaining quoted market prices from exchange, dealer or independent pricing service vendors or using discounted cash flow technique. Discounted cash flow model is a valuation technique that measures present value using estimated expected future cash flows from the instruments and then discounts these flows using a discount rate or discount margin that reflects the credit spreads required by the market for instruments with similar risk. These inputs are observable or can be corroborated by observable or unobservable market data.

Asset backed securities

For this class of instruments, external prices are obtained from independent third parties. The valuation of these securities, depending on the nature of transaction, is estimated from market standard cash flow models with input parameter which include spreads to discount rates, default and recovery rates and prepayment rates that may be observable or compiled through matrix pricing for similar issues.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平值 (續) 4. Fair values of financial assets and liabilities (continued)

4.1 以公平值計量的金融工具 (續)

衍生工具

場外交易的衍生工具合約包括外匯、利率、股票、商品或信貸的遠期、掉期及期權合約。衍生工具合約的公平值主要由貼現現金流模型及期權計價模型等估值技術釐定。所使用的參數為可觀察或不可觀察市場數據。可觀察的參數包括利率、匯率、權益及股票價格、商品價格、信貸違約掉期利差、波幅及相關系數。不可觀察的參數可用於嵌藏於結構性存款中非交易頻繁的期權類產品。對一些複雜的衍生工具合約，公平值將按經紀／交易商之報價為基礎。

本集團對場外交易的衍生工具作出了信貸估值調整及債務估值調整。調整分別反映對市場因素變化、交易對手信譽及本集團自身信貸息差的期望。有關調整主要是按每一交易對手，以未來預期敞口、違約率及收回率釐定。

4.1 Financial instruments measured at fair value (continued)

Derivatives

OTC derivative contracts include forward, swap and option contracts on foreign exchange, interest rate, equity, commodity or credit. The fair values of these contracts are mainly measured using valuation techniques such as discounted cash flow models and option pricing models. The inputs can be observable or unobservable market data. Observable inputs include interest rate, foreign exchange rates, equity and stock prices, commodity prices, credit default swap spreads, volatilities and correlations. Unobservable inputs may be used for less commonly traded option products which are embedded in structured deposits. For certain complex derivative contracts, the fair values are determined based on broker/dealer price quotations.

Credit valuation adjustments ("CVAs") and debit valuation adjustments ("DVAs") are applied to the Group's OTC derivatives. These adjustments reflect market factors movement, expectations of counterparty creditworthiness and the Group's own credit spread respectively. They are mainly determined for each counterparty and are dependent on expected future values of exposures, default probabilities and recovery rates.

中期財務資料附註 Notes to the Interim Financial Information (continued)
(續)

4. 金融資產和負債的公平值 (續) 4. Fair values of financial assets and liabilities (continued)

4.1 以公平值計量的金融工具 (續)

後償負債

後償票據之公平值是按市場價格或經紀/交易商之報價為基礎。後償票據之自身信貸調整計算為市值與利用最新基準利率及估值計量期初的自身信貸利差匡算的淨現值之差。

(A) 公平值的等級

4.1 Financial instruments measured at fair value (continued)

Subordinated liabilities

Fair value for subordinated notes is based on market prices or broker/dealer price quotations. Own credit adjustment for subordinated notes is calculated as the difference between the market value and the net present value calculated by the latest benchmark interest rate and own credit spreads of the subordinated notes determined on the beginning of measurement period.

(A) Fair value hierarchy

		於 2020 年 6 月 30 日 At 30 June 2020			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
金融資產	Financial assets				
交易性資產 (附註 18)	Trading assets (Note 18)				
- 債務證券及存款證	- Debt securities and certificates of deposit	-	23,842	-	23,842
- 股份證券	- Equity securities	56	-	-	56
- 其他債務工具	- Other debt instruments	-	3,594	-	3,594
其他強制分類為以公平值變化計入損益之金融資產 (附註 18)	Other financial assets mandatorily classified at fair value through profit or loss (Note 18)				
- 債務證券及存款證	- Debt securities and certificates of deposit	-	763	-	763
- 股份證券	- Equity securities	-	-	-	-
界定為以公平值變化計入損益之金融資產 (附註 18)	Financial assets designated at fair value through profit or loss (Note 18)				
- 債務證券及存款證	- Debt securities and certificates of deposit	725	2,387	-	3,112
衍生金融工具 (附註 19)	Derivative financial instruments (Note 19)	14,463	29,916	-	44,379
以公平值變化計入其他全面收益之證券投資 (附註 21)	Investment in securities at FVOCI (Note 21)				
- 債務證券及存款證	- Debt securities and certificates of deposit	159,688	524,654	-	684,342
- 股份證券	- Equity securities	-	1,596	2,122	3,718

中期財務資料附註 (續) **Notes to the Interim Financial Information (continued)**

4. 金融資產和負債的公平值 (續) **4. Fair values of financial assets and liabilities (continued)**

4.1 以公平值計量的金融工具 (續) **4.1 Financial instruments measured at fair value (continued)**

(A) 公平值的等級 (續) **(A) Fair value hierarchy (continued)**

		於 2020 年 6 月 30 日 At 30 June 2020			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
金融負債	Financial liabilities				
以公平值變化計入損益之金融負債 (附註 25)	Financial liabilities at fair value through profit or loss (Note 25)				
- 交易性負債	- Trading liabilities	-	10,858	-	10,858
衍生金融工具 (附註 19)	Derivative financial instruments (Note 19)	13,309	39,757	-	53,066
後償負債 (附註 30)	Subordinated liabilities (Note 30)				
- 後償票據	- Subordinated notes	-	-	-	-

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

4. 金融資產和負債的公平 **4. Fair values of financial assets and liabilities (continued)**
值 (續)

4.1 以公平值計量的金融工具 **4.1 Financial instruments measured at fair value (continued)**
(續)

(A) 公平值的等級 (續) **(A) Fair value hierarchy (continued)**

		於 2019 年 12 月 31 日			
		At 31 December 2019			
		第一層級	第二層級	第三層級	總計
		Level 1	Level 2	Level 3	Total
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m	HK\$m
金融資產	Financial assets				
交易性資產 (附註 18)	Trading assets (Note 18)				
- 債務證券及	- Debt securities and				
存款證	certificates of deposit	133	37,457	-	37,590
- 股份證券	- Equity securities	37	-	-	37
- 其他債務工具	- Other debt instruments	-	5,297	-	5,297
其他強制分類為以公平	Other financial assets				
值變化計入損益之金	mandatorily classified at				
融資產 (附註 18)	fair value through profit or				
	loss (Note 18)				
- 債務證券及	- Debt securities and				
存款證	certificates of deposit	-	744	-	744
- 股份證券	- Equity securities	3	-	-	3
界定為以公平值變化計	Financial assets designated				
入損益之金融資產	at fair value through profit				
(附註 18)	or loss (Note 18)				
- 債務證券及	- Debt securities and				
存款證	certificates of deposit	708	2,283	-	2,991
衍生金融工具	Derivative financial				
(附註 19)	instruments (Note 19)	11,673	19,483	11	31,167
以公平值變化計入其	Investment in securities at				
他全面收益之證券	FVOCI (Note 21)				
投資 (附註 21)					
- 債務證券及	- Debt securities and				
存款證	certificates of deposit	197,156	470,501	-	667,657
- 股份證券	- Equity securities	-	1,134	2,154	3,288

中期財務資料附註 (續) **Notes to the Interim Financial Information (continued)**

4. 金融資產和負債的公平值 (續) **4. Fair values of financial assets and liabilities (continued)**

4.1 以公平值計量的金融工具 (續) **4.1 Financial instruments measured at fair value (continued)**

(A) 公平值的等級 (續)

(A) Fair value hierarchy (continued)

		於 2019 年 12 月 31 日 At 31 December 2019			
		第一層級 Level 1	第二層級 Level 2	第三層級 Level 3	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
金融負債	Financial liabilities				
以公平值變化計入損益之金融負債 (附註 25)	Financial liabilities at fair value through profit or loss (Note 25)				
- 交易性負債	- Trading liabilities	-	19,206	-	19,206
衍生金融工具 (附註 19)	Derivative financial instruments (Note 19)	9,687	23,146	-	32,833
後償負債 (附註 30)	Subordinated liabilities (Note 30)				
- 後償票據	- Subordinated notes	-	12,954	-	12,954

本集團之金融資產及負債於 2020 年上半年及 2019 年內均沒有第一層級及第二層級之間的重大轉移。

There were no significant financial asset and liability transfers between level 1 and level 2 for the Group during the first half of 2020 and the year of 2019.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平值 (續) 4. Fair values of financial assets and liabilities (continued)

4.1 以公平值計量的金融工具 (續) 4.1 Financial instruments measured at fair value (continued)

(B) 第三層級的項目變動

(B) Reconciliation of level 3 items

		於 2020 年 6 月 30 日 At 30 June 2020	
		金融資產	
		Financial assets	
		以公平值變化 計入其他全面 收益之證券投資 Investment in securities at FVOCI	衍生 金融工具 Derivative financial instruments
		股份證券 Equity securities	
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
於 2020 年 1 月 1 日	At 1 January 2020	11	2,154
收益 / (虧損)	Gain/(loss)		
- 收益表	- Income statement		
- 淨交易性收益	- Net trading gain	20	-
- 其他全面收益	- Other comprehensive income		
- 公平值變化	- Change in fair value	-	(32)
增置	Additions	-	-
轉出第三層級	Transfer out of level 3	(31)	-
於 2020 年 6 月 30 日	At 30 June 2020	-	2,122
於 2020 年 6 月 30 日 持有的金融資產於期 內計入收益表的未實 現收益總額	Total unrealised gains for the period included in income statement for financial assets held as at 30 June 2020		
- 淨交易性收益	- Net trading gain	-	-

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

4. 金融資產和負債的公平 **4. Fair values of financial assets and liabilities (continued)**
值 (續)

4.1 以公平值計量的金融工具 **4.1 Financial instruments measured at fair value (continued)**
(續)

(B) 第三層級的项目變動 **(B) Reconciliation of level 3 items (continued)**
(續)

		於 2019 年 12 月 31 日	
		At 31 December 2019	
		金融資產	
		Financial assets	
		以公平值變化 計入其他全面 收益之證券投資	
		Investment in securities at FVOCI	
		衍生 金融工具	
		Derivative financial instruments	
		股份證券 Equity securities	
		港幣百萬元	港幣百萬元
		HK\$m	HK\$m
於 2019 年 1 月 1 日	At 1 January 2019	7	1,144
收益	Gains		
- 收益表	- Income statement		
- 淨交易性收益	- Net trading gain	11	-
- 其他全面收益	- Other comprehensive income		
- 公平值變化	- Change in fair value	-	446
增置	Additions	-	564
轉出第三層級	Transfer out of level 3	(7)	-
於 2019 年 12 月 31 日	At 31 December 2019	11	2,154
於 2019 年 12 月 31 日 持有的金融資產於年 內計入收益表的未實 現收益總額	Total unrealised gains for the year included in income statement for financial assets held as at 31 December 2019		
- 淨交易性收益	- Net trading gain	11	-

中期財務資料附註 Notes to the Interim Financial Information (continued)
(續)

4. 金融資產和負債的公平值 (續) 4. Fair values of financial assets and liabilities (continued)

4.1 以公平值計量的金融工具 (續)

4.1 Financial instruments measured at fair value (continued)

(B) 第三層級的項目變動 (續)

(B) Reconciliation of level 3 items (continued)

於 2020 年 6 月 30 日及 2019 年 12 月 31 日，分類為第三層級的金融工具主要包括非上市股權及若干場外交易的衍生工具合約。

As at 30 June 2020 and 31 December 2019, financial instruments categorised as level 3 are mainly comprised of unlisted equity shares and certain OTC derivative contracts.

對於若干場外交易的衍生工具合約，其交易對手信貸利差為不可觀察參數並對其估值有重大影響。因此本集團將這些金融工具劃分至第三層級。2020 年上半年及 2019 年度轉出第三層級乃因估值可觀察性改變。本集團已建立相關內部控制程序監控集團對此類金融工具的敞口。

For certain OTC derivative contracts, the counterparty credit spreads used in valuation techniques are unobservable inputs with significant impact on valuation. Therefore, these instruments have been classified by the Group as level 3. Transfers out of level 3 in the first half of 2020 and year of 2019 were due to change of valuation observability. The Group has established internal control procedures to control the Group's exposure to such financial instruments.

以公平值變化計入其他全面收益之非上市股權的公平值乃參考 (i) 可供比較的上市公司之平均市價／盈利倍數；或 (ii) 該股權投資之股息貼現模型計算結果；或 (iii) 若沒有合適可供比較的公司或沒有適用的股息貼現模型，則按其資產淨值釐定。

The fair values of unlisted FVOCI equity shares are determined with reference to (i) multiples of comparable listed companies, such as average of the price/earning ratios of comparables; or (ii) dividend discount model calculation of the underlying equity investments; or (iii) net asset value, if neither appropriate comparables nor dividend discount model calculation is available or applicable.

中期財務資料附註 (續) **Notes to the Interim Financial Information (continued)**

4. 金融資產和負債的公平值 (續) **4. Fair values of financial assets and liabilities (continued)**

4.1 以公平值計量的金融工具 (續)

4.1 Financial instruments measured at fair value (continued)

(B) 第三層級的項目變動 (續)

(B) Reconciliation of level 3 items (continued)

若估值技術中所應用的重大不可觀察因素增長/減少5%(2019年12月31日:5%)，則本集團之其他全面收益將分別增加港幣0.53億元或減少港幣0.51億元(2019年12月31日:增加港幣0.42億元或減少港幣0.37億元)。當計入其他全面收益之非上市股權的公平值受多於一個不可觀察的因素所影響，上述反映隨個別因素變化而產生的最有利或最不利變動。

Had the significant unobservable inputs applied on the valuation techniques increased/decreased by 5% (31 December 2019: 5%), the Group's other comprehensive income would have increased/decreased by HK\$53 million and HK\$51 million, respectively (31 December 2019: HK\$42 million and HK\$37 million, respectively). When the fair value of the unlisted FVOCI shares is affected by more than one unobservable input, the aforesaid impact reflects the most favourable or the most unfavourable change from varying inputs individually.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

4. 金融資產和負債的公平價值 (續) 4. Fair values of financial assets and liabilities (continued)

4.2 非以公平值計量的金融工具

公平值是在一特定時點按相關市場資料及不同金融工具之資料來評估。以下之方法及假設已按實際情況應用於評估各類金融工具之公平值。

存放／尚欠銀行及其他金融機構之結餘及貿易票據
大部分之金融資產及負債將於結算日後一年內到期，其賬面值與公平值相若。

客戶貸款及銀行及其他金融機構貸款
大部分之客戶貸款及銀行及其他金融機構貸款是浮動利率，按市場息率計算利息，其賬面值與公平值相若。

以攤餘成本計量之證券投資
以攤餘成本計量之證券之公平值釐定與附註 4.1 內以公平值計量的債務證券及存款證和資產抵押債券採用之方法相同。除此之外，若干以攤餘成本計量之證券採用以現時收益率曲線相對應剩餘限期之利率為基礎的貼現現金流模型計算。

客戶存款
大部分之客戶存款將於結算日後一年內到期，其賬面值與公平值相若。

已發行債務證券及存款證
此類工具之公平值釐定與附註 4.1 內以公平值計量的債務證券及存款證採用之方法相同。

4.2 Financial instruments not measured at fair value

Fair value estimates are made at a specific point in time based on relevant market information and information about various financial instruments. The following methods and assumptions have been used to estimate the fair value of each class of financial instrument as far as practicable.

Balances with/from banks and other financial institutions and trade bills

Substantially all the financial assets and liabilities mature within one year from the balance sheet date and their carrying value approximates fair value.

Advances to customers and banks and other financial institutions

Substantially all the advances to customers and banks and other financial institutions are on floating rate terms, bear interest at prevailing market interest rates and their carrying value approximates fair value.

Investment in securities at amortised cost

The fair value of securities at amortised cost is determined by using the same approach as those debt securities and certificates of deposit and asset backed securities measured at fair value as described in Note 4.1. Besides, a discounted cash flow model is used for certain securities at amortised cost based on a current yield curve appropriate for the remaining term to maturity.

Deposits from customers

Substantially all the deposits from customers mature within one year from the balance sheet date and their carrying value approximates fair value.

Debt securities and certificates of deposit in issue

The fair value of these instruments is determined by using the same approach as those debt securities and certificates of deposit measured at fair value as described in Note 4.1.

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

4. 金融資產和負債的公平 **4. Fair values of financial assets and liabilities (continued)**
值 (續)

4.2 非以公平值計量的金融工
具 (續)

4.2 Financial instruments not measured at fair value (continued)

除以上其賬面值與公平值相若的金融工具外，下表為非以公平值計量的金融工具之賬面值和公平值。

The following tables set out the carrying values and fair values of the financial instruments not measured at fair value, except for the above with their carrying values being approximation of fair values.

	於 2020 年 6 月 30 日		於 2019 年 12 月 31 日	
	At 30 June 2020		At 31 December 2019	
	賬面值	公平值	賬面值	公平值
	Carrying value	Fair value	Carrying value	Fair value
	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
	HK\$m	HK\$m	HK\$m	HK\$m
金融資產	Financial assets			
以攤餘成本計量之證券投資 (附註 21)	Investment in securities at amortised cost (Note 21)			
	63,354	64,693	68,390	68,883
金融負債	Financial liabilities			
已發行債務證券及存款證 (附註 27)	Debt securities and certificates of deposit in issue (Note 27)			
	-	-	116	116

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

5. 淨利息收入

5. Net interest income

	半年結算至 2020年 6月30日 Half-year ended 30 June 2020 港幣百萬元 HK\$m	半年結算至 2019年 6月30日 Half-year ended 30 June 2019 港幣百萬元 HK\$m
利息收入	Interest income	
客戶貸款、存放銀行及其他金融機構的款項	20,208	22,898
證券投資及以公平值變化計入損益之金融資產	6,860	8,879
其他	149	257
	27,217	32,034
利息支出	Interest expense	
客戶存款、銀行及其他金融機構存放的款項	(9,965)	(12,975)
已發行債務證券及存款證	(1)	(68)
後償負債	(80)	(360)
租賃負債	(28)	(26)
其他	(215)	(283)
	(10,289)	(13,712)
淨利息收入	16,928	18,322

按攤餘成本及以公平值變化計入其他全面收益作計量之金融資產的利息收入（未計算對沖影響）分別為港幣212.24億元（2019年上半年：港幣240.71億元）及港幣61.09億元（2019年上半年：港幣63.64億元）。

Included within interest income are HK\$21,224 million (first half of 2019: HK\$24,071 million) and HK\$6,109 million (first half of 2019: HK\$6,364 million), before hedging effect, for financial assets measured at amortised cost and at fair value through other comprehensive income respectively.

非以公平值變化計入損益作計量之金融負債的利息支出（未計算對沖影響）為港幣100.59億元（2019年上半年：港幣131.88億元）。

Included within interest expense are HK\$10,059 million (first half of 2019: HK\$13,188 million), before hedging effect, for financial liabilities that are not measured at fair value through profit or loss.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

6. 淨服務費及佣金收入 6. Net fee and commission income

		半年結算至 2020年 6月30日 Half-year ended 30 June 2020 港幣百萬元 HK\$m	半年結算至 2019年 6月30日 Half-year ended 30 June 2019 港幣百萬元 HK\$m
服務費及佣金收入	Fee and commission income		
證券經紀	Securities brokerage	1,567	1,093
貸款佣金	Loan commissions	1,392	1,623
信用卡業務	Credit card business	928	1,639
保險	Insurance	782	1,295
基金分銷	Funds distribution	392	420
繳款服務	Payment services	358	339
信託及託管服務	Trust and custody services	327	313
匯票佣金	Bills commissions	278	352
買賣貨幣	Currency exchange	157	323
保管箱	Safe deposit box	153	144
其他	Others	502	691
		6,836	8,232
服務費及佣金支出	Fee and commission expense		
信用卡業務	Credit card business	(588)	(1,158)
證券經紀	Securities brokerage	(178)	(133)
其他	Others	(363)	(474)
		(1,129)	(1,765)
淨服務費及佣金收入	Net fee and commission income	5,707	6,467
其中源自：	Of which arise from:		
非以公平值變化計入損益 之金融資產或金融負債	Financial assets or financial liabilities not at fair value through profit or loss		
- 服務費及佣金收入	- Fee and commission income	1,504	1,889
- 服務費及佣金支出	- Fee and commission expense	(3)	(6)
		1,501	1,883
信託及其他受託活動	Trust and other fiduciary activities		
- 服務費及佣金收入	- Fee and commission income	426	407
- 服務費及佣金支出	- Fee and commission expense	(14)	(13)
		412	394

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

7. 淨交易性收益

7. Net trading gain

	半年結算至 2020年 6月30日 Half-year ended 30 June 2020 港幣百萬元 HK\$m	半年結算至 2019年 6月30日 Half-year ended 30 June 2019 港幣百萬元 HK\$m
淨收益／(虧損)源自：		
外匯交易及外匯交易產品	2,985	2,543
利率工具及公平值對沖的項目	(971)	(485)
商品	250	126
股權及信貸衍生工具	59	57
	2,323	2,241

8. 其他以公平值變化計入損益之金融工具淨收益

8. Net gain on other financial instruments at fair value through profit or loss

	半年結算至 2020年 6月30日 Half-year ended 30 June 2020 港幣百萬元 HK\$m	半年結算至 2019年 6月30日 Half-year ended 30 June 2019 港幣百萬元 HK\$m
其他強制分類為以公平值變化計入損益之金融工具淨收益	22	51
界定為以公平值變化計入損益之金融工具淨收益	131	74
	153	125

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

9. 其他金融資產之淨收益 9. Net gain on other financial assets

	半年結算至 2020年 6月30日 Half-year ended 30 June 2020 港幣百萬元 HK\$m	半年結算至 2019年 6月30日 Half-year ended 30 June 2019 港幣百萬元 HK\$m	
處置/贖回以公平值變化計入 其他全面收益之證券投資 之淨收益	Net gain on disposal/redemption of investment in securities at FVOCI	2,518	742
贖回以攤餘成本計量之證券投 資之淨虧損	Net loss on redemption of investment in securities at amortised cost	(22)	(13)
其他	Others	10	(2)
	2,506	727	

10. 其他經營收入 10. Other operating income

	半年結算至 2020年 6月30日 Half-year ended 30 June 2020 港幣百萬元 HK\$m	半年結算至 2019年 6月30日 Half-year ended 30 June 2019 港幣百萬元 HK\$m	
股息收入	Dividend income		
- 來自期內被終止確認之以 公平值變化計入其他全 面收益之證券投資	- From investment in securities at FVOCI derecognised during the period	-	-
- 來自期末仍持有之以公平 值變化計入其他全面收 益之證券投資	- From investment in securities at FVOCI held at the end of the period	39	27
投資物業之租金總收入	Gross rental income from investment properties	307	334
減：有關投資物業之支出	Less: Outgoings in respect of investment properties	(20)	(29)
其他	Others	40	50
	366	382	

「有關投資物業之支出」包括
期內未出租投資物業之直接
經營支出港幣2百萬元(2019
年上半年：港幣1百萬元)。

Included in the "Outgoings in respect of investment properties" is HK\$2 million (first half of 2019: HK\$1 million) of direct operating expenses related to investment properties that were not let during the period.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

11. 減值準備淨撥備

11. Net charge of impairment allowances

		半年結算至 2020年 6月30日 Half-year ended 30 June 2020 港幣百萬元 HK\$'m	半年結算至 2019年 6月30日 Half-year ended 30 June 2019 港幣百萬元 HK\$'m
減值準備淨(撥備)/撥回：	Net (charge)/reversal of impairment allowances on:		
貸款及其他賬項	Advances and other accounts	(1,311)	(717)
證券投資	Investment in securities		
- 以公平值變化計入其他 全面收益	- At FVOCI	(71)	(46)
- 以攤餘成本計量	- At amortised cost	9	(2)
		(62)	(48)
其他	Others	30	(26)
減值準備淨撥備	Net charge of impairment allowances	(1,343)	(791)

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

12. 經營支出

12. Operating expenses

		半年結算至 2020年 6月30日 Half-year ended 30 June 2020 港幣百萬元 HK\$m	半年結算至 2019年 6月30日 Half-year ended 30 June 2019 港幣百萬元 HK\$m
人事費用(包括董事酬金)	Staff costs (including directors' emoluments)		
- 薪酬及其他費用	- Salaries and other costs	3,942	3,841
- 退休成本	- Pension cost	260	245
		4,202	4,086
房產及設備支出(不包括折舊)	Premises and equipment expenses (excluding depreciation)		
- 短期租賃、低價值資產租賃及浮動租金租賃	- Short-term leases, leases of low-value assets and variable lease payments	-	115
- 資訊科技	- Information technology	313	316
- 其他	- Others	227	211
		540	642
折舊	Depreciation	1,499	1,373
核數師酬金	Auditor's remuneration		
- 審計服務	- Audit services	3	3
- 非審計服務	- Non-audit services	3	4
其他經營支出	Other operating expenses	1,084	1,169
		7,331	7,277

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

13. 投資物業處置／公平 **13. Net (loss)/gain from disposal of/fair value adjustments on**
值調整之淨(虧損)／ **investment properties**
收益

	半年結算至 2020年 6月30日 Half-year ended 30 June 2020	半年結算至 2019年 6月30日 Half-year ended 30 June 2019
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
投資物業公平值調整之 淨(虧損)／收益	(515)	663

14. 處置／重估物業、器材 **14. Net (loss)/gain from disposal/revaluation of properties, plant and**
及設備之淨(虧損)／ **equipment**
收益

	半年結算至 2020年 6月30日 Half-year ended 30 June 2020	半年結算至 2019年 6月30日 Half-year ended 30 June 2019
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
處置設備、固定設施及裝備 之淨虧損	(1)	(1)
重估房產之淨(虧損)／ 收益	(2)	2
	(3)	1

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

15. 稅項

15. Taxation

收益表內之稅項組成如下：

Taxation in the income statement represents:

		半年結算至 2020年 6月30日 Half-year ended 30 June 2020 港幣百萬元 HK\$m	半年結算至 2019年 6月30日 Half-year ended 30 June 2019 港幣百萬元 HK\$m
本期稅項	Current tax		
香港利得稅	Hong Kong profits tax		
- 期內計入稅項	- Current period taxation	2,995	2,979
- 往期不足撥備	- Under-provision in prior periods	1	-
		2,996	2,979
海外稅項	Overseas taxation		
- 期內計入稅項	- Current period taxation	255	360
- 往期超額撥備	- Over-provision in prior periods	(7)	(25)
		3,244	3,314
遞延稅項	Deferred tax		
暫時性差額之產生及撥回 及未使用稅項抵免	Origination and reversal of temporary differences and unused tax credits	(218)	(93)
		3,026	3,221

香港利得稅乃按照截至2020年上半年估計於香港產生的應課稅溢利依稅率16.5% (2019年：16.5%) 提撥。海外溢利之稅款按照2020年上半年估計應課稅溢利依本集團經營業務所在國家／地區之現行稅率計算。

Hong Kong profits tax has been provided at the rate of 16.5% (2019: 16.5%) on the estimated assessable profits arising in Hong Kong for the first half of 2020. Taxation on overseas profits has been calculated on the estimated assessable profits for the first half of 2020 at the rates of taxation prevailing in the countries/regions in which the Group operates.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

15. 稅項 (續)

15. Taxation (continued)

本集團除稅前溢利產生的實際稅項，與根據香港利得稅率計算的稅項差異如下：

The taxation on the Group's profit before taxation that differs from the theoretical amount that would arise using the taxation rate of Hong Kong is as follows:

		半年結算至 2020年 6月30日 Half-year ended 30 June 2020 港幣百萬元 HK\$m	半年結算至 2019年 6月30日 Half-year ended 30 June 2019 港幣百萬元 HK\$m
除稅前溢利	Profit before taxation	18,816	20,913
按稅率 16.5% (2019 年： 16.5%) 計算的稅項	Calculated at a taxation rate of 16.5% (2019: 16.5%)	3,105	3,451
其他國家/地區稅率差異的 影響	Effect of different taxation rates in other countries/regions	56	132
無需課稅之收入	Income not subject to taxation	(278)	(630)
稅務上不可扣減之開支	Expenses not deductible for taxation purposes	280	324
使用往年未確認的稅務虧損	Utilisation of previously unrecognised tax losses	-	(1)
往期超額撥備	Over-provision in prior periods	(6)	(25)
海外預提稅	Foreign withholding tax	(17)	85
其他	Others	(114)	(115)
計入稅項	Taxation charge	3,026	3,221
實際稅率	Effective tax rate	16.1%	15.4%

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

16. 股息

16. Dividends

	半年結算至 2020年6月30日 Half-year ended 30 June 2020		半年結算至 2019年6月30日 Half-year ended 30 June 2019	
	每股 港元 Per share HK\$	總額 港幣百萬元 Total HK\$m	每股 港元 Per share HK\$	總額 港幣百萬元 Total HK\$m
中期股息 Interim dividend	0.110	4,735	0.131	5,639

於2020年8月30日，董事會宣派中期股息每股普通股港幣0.110元，總額約為港幣47.35億元。此宣派中期股息並未於本中期財務資料中列作應付股息，但將於截至2020年12月31日止年度列作留存盈利分配。

On 30 August 2020, the Board declared an interim dividend of HK\$0.110 per ordinary share amounting to approximately HK\$4,735 million. This declared interim dividend is not reflected as a dividend payable in this interim financial information, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2020.

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

17. 庫存現金及在銀行及其他金融機構之結餘及定期存放 **17. Cash and balances and placements with banks and other financial institutions**

		於 2020 年 6 月 30 日 At 30 June 2020 港幣百萬元 HK\$m	於 2019 年 12 月 31 日 At 31 December 2019 港幣百萬元 HK\$m
庫存現金	Cash	16,763	19,028
存放中央銀行之結餘	Balances with central banks	178,535	150,249
在中央銀行一個月內到期之定期存放	Placements with central banks maturing within one month	32,806	9,541
在中央銀行一至十二個月內到期之定期存放	Placements with central banks maturing between one and twelve months	4,013	2,444
在中央銀行超過一年到期之定期存放	Placements with central banks maturing over one year	1,175	785
		216,529	163,019
存放其他銀行及其他金融機構之結餘	Balances with other banks and other financial institutions	57,189	75,455
在其他銀行及其他金融機構一個月內到期之定期存放	Placements with other banks and other financial institutions maturing within one month	70,184	80,971
在其他銀行及其他金融機構一至十二個月內到期之定期存放	Placements with other banks and other financial institutions maturing between one and twelve months	48,592	28,166
		175,965	184,592
		409,257	366,639
減值準備	Impairment allowances		
- 第一階段	- Stage 1	(18)	(3)
- 第二階段	- Stage 2	-	-
- 第三階段	- Stage 3	-	-
		409,239	366,636

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

18. 以公平值變化計入損益之金融資產 **18. Financial assets at fair value through profit or loss**

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
證券	Securities		
交易性資產	Trading assets		
- 庫券	- Treasury bills	14,081	21,025
- 存款證	- Certificates of deposit	2,129	2,953
- 其他債務證券	- Other debt securities	7,632	13,612
		23,842	37,590
- 股份證券	- Equity securities	56	37
		23,898	37,627
其他強制分類為以公平值 變化計入損益之金融 資產	Other financial assets mandatorily classified at fair value through profit or loss		
- 存款證	- Certificates of deposit	-	-
- 其他債務證券	- Other debt securities	763	744
		763	744
- 股份證券	- Equity securities	-	3
		763	747
界定為以公平值變化計入 損益之金融資產	Financial assets designated at fair value through profit or loss		
- 存款證	- Certificates of deposit	-	-
- 其他債務證券	- Other debt securities	3,112	2,991
		3,112	2,991
證券總額	Total securities	27,773	41,365
其他債務工具	Other debt instruments		
交易性資產	Trading assets	3,594	5,297
		31,367	46,662

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

18. 以公平值變化計入損益之金融資產 (續) 18. Financial assets at fair value through profit or loss (continued)

證券總額按上市地之分類如下：

Total securities are analysed by place of listing as follows:

		於 2020 年 6 月 30 日 At 30 June 2020 港幣百萬元 HK\$m	於 2019 年 12 月 31 日 At 31 December 2019 港幣百萬元 HK\$m
債務證券及存款證	Debt securities and certificates of deposit		
- 於香港上市	- Listed in Hong Kong	4,224	5,903
- 於香港以外上市	- Listed outside Hong Kong	3,723	4,192
- 非上市	- Unlisted	19,770	31,230
		27,717	41,325
股份證券	Equity securities		
- 於香港上市	- Listed in Hong Kong	56	37
- 於香港以外上市	- Listed outside Hong Kong	-	3
		56	40
證券總額	Total securities	27,773	41,365

證券總額按發行機構之分類如下：

Total securities are analysed by type of issuer as follows:

		於 2020 年 6 月 30 日 At 30 June 2020 港幣百萬元 HK\$m	於 2019 年 12 月 31 日 At 31 December 2019 港幣百萬元 HK\$m
官方實體	Sovereigns	20,377	30,302
公營單位	Public sector entities	1,478	1,526
銀行及其他金融機構	Banks and other financial institutions	5,029	7,506
公司企業	Corporate entities	889	2,031
證券總額	Total securities	27,773	41,365

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

19. 衍生金融工具

19. Derivative financial instruments

本集團訂立匯率、利率、商品、股權及信貸相關的衍生金融工具合約作買賣及風險管理之用。

The Group enters into exchange rate, interest rate, commodity, equity and credit related derivative financial instrument contracts for trading and risk management purposes.

貨幣遠期是指於未來某一日期買或賣外幣的承諾。利率期貨是指根據合約按照利率的變化收取或支付一個淨金額的合約，或在交易所管理的金融市場上按約定價格在未來的某一日期買進或賣出利率金融工具的合約。遠期利率協議是經單獨協商而達成的利率期貨合約，要求在未來某一日期根據合約利率與市場利率的差異及名義本金的金額進行計算及現金交割。

Currency forwards represent commitments to purchase and sell foreign currency on a future date. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates or buy or sell interest rate financial instruments on a future date at an agreed price in the financial market under the administration of the stock exchange. Forward rate agreements are individually negotiated interest rate futures that call for a cash settlement at a future date for the difference between a contract rate of interest and the current market rate, based on a notional principal amount.

貨幣、利率及商品掉期是指交換不同現金流或商品的承諾。掉期的結果是交換不同貨幣、利率（如固定利率與浮動利率）或貴金屬（如白銀掉期）或以上的所有組合（如交叉貨幣利率掉期）。除某些貨幣掉期合約外，該等交易無需交換本金。

Currency, interest rate and commodity swaps are commitments to exchange one set of cash flows or commodity for another. Swaps result in an exchange of currencies, interest rates (for example, fixed rate for floating rate), or precious metals (for example, silver swaps) or a combination of all these (for example, cross-currency interest rate swaps). Except for certain currency swap contracts, no exchange of principal takes place.

外匯、利率、貴金屬及股權期權是指期權的賣方（出讓方）為買方（持有方）提供未來某一特定日期或未來一定時期內按約定的價格買進（認購期權）或賣出（認沽期權）一定數量的金融工具的權利（而非承諾）的一種協議。考慮到外匯和利率風險，期權的賣方從購買方收取一定的期權費。本集團期權合約是與對手方在場外協商達成或透過交易所進行（如於交易所進行買賣之期權）。

Foreign currency, interest rate, precious metal and equity options are contractual agreements under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of the financial instrument at a predetermined price. In consideration for the assumption of foreign exchange and interest rate risk, the seller receives a premium from the purchaser. Options are negotiated over-the-counter between the Group and its counterparty or traded through the stock exchange (for example, exchange-traded stock option).

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

19. 衍生金融工具 (續)

19. Derivative financial instruments (continued)

本集團之衍生金融工具合約／名義數額及其公平值詳列於下表。各類型金融工具的合約／名義數額僅顯示於資產負債表日未完成之交易量，而若干金融工具之合約／名義數額則提供了一個與資產負債表內所確認的資產或負債的公平值對比的基礎。但是，這並不反映所涉及的未來的現金流或當前的公平值，因而也不能反映本集團所面臨的信貸風險或市場風險。隨著與衍生金融工具合約條款相關的匯率、市場利率、商品價格或股權價格的波動，衍生金融工具的估值可能產生有利（資產）或不利（負債）的影響，這些影響可能在不同期間有較大的波動。

The contract/notional amounts and fair values of derivative financial instruments held by the Group are set out in the following tables. The contract/notional amounts of these instruments indicate the volume of transactions outstanding at the balance sheet dates and certain of them provide a basis for comparison with the fair values of instruments recognised on the balance sheet. However, they do not necessarily indicate the amounts of future cash flows involved or the current fair values of the instruments and, therefore, do not indicate the Group's exposure to credit or market risks. The derivative financial instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in foreign exchange rates, market interest rates, commodity prices or equity prices relative to their terms. The aggregate fair values of derivative financial instruments can fluctuate significantly from time to time.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

19. 衍生金融工具 (續) 19. Derivative financial instruments (continued)

下表概述各類衍生金融工具於2020年6月30日及2019年12月31日之合約/名義數額及其公平值：

The following tables summarise the contract/notional amounts and fair values of each class of derivative financial instrument as at 30 June 2020 and 31 December 2019:

		於2020年6月30日 At 30 June 2020		
		合約/ 名義數額 Contract/ notional amounts	公平值 Fair values	
			資產 Assets	負債 Liabilities
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
匯率合約	Exchange rate contracts			
即期、遠期及期貨	Spot, forwards and futures	289,347	12,551	(8,356)
掉期	Swaps	1,470,593	7,675	(6,629)
期權	Options	35,722	79	(71)
		<u>1,795,662</u>	<u>20,305</u>	<u>(15,056)</u>
利率合約	Interest rate contracts			
期貨	Futures	1,381	1	(1)
掉期	Swaps	1,212,907	21,426	(32,385)
期權	Options	4,698	-	-
		<u>1,218,986</u>	<u>21,427</u>	<u>(32,386)</u>
商品合約	Commodity contracts	<u>50,418</u>	<u>2,571</u>	<u>(5,546)</u>
股權合約	Equity contracts	<u>3,550</u>	<u>76</u>	<u>(78)</u>
信貸衍生工具合約	Credit derivative contracts	-	-	-
		<u>3,068,616</u>	<u>44,379</u>	<u>(53,066)</u>

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

19. 衍生金融工具 (續) **19. Derivative financial instruments (continued)**

		於2019年12月31日		
		At 31 December 2019		
		合約/ 名義數額	公平值	
		Contract/ notional amounts	Fair values	
			資產	負債
			Assets	Liabilities
		港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m
匯率合約	Exchange rate contracts			
即期、遠期及期貨	Spot, forwards and futures	318,664	11,812	(8,105)
掉期	Swaps	1,559,311	10,992	(10,027)
期權	Options	49,544	132	(100)
		<u>1,927,519</u>	<u>22,936</u>	<u>(18,232)</u>
利率合約	Interest rate contracts			
期貨	Futures	1,126	2	-
掉期	Swaps	1,223,157	7,462	(12,002)
期權	Options	3,114	-	-
		<u>1,227,397</u>	<u>7,464</u>	<u>(12,002)</u>
商品合約	Commodity contracts	<u>48,446</u>	<u>756</u>	<u>(2,576)</u>
股權合約	Equity contracts	<u>1,301</u>	<u>11</u>	<u>(14)</u>
信貸衍生工具合約	Credit derivative contracts	<u>389</u>	<u>-</u>	<u>(9)</u>
		<u><u>3,205,052</u></u>	<u><u>31,167</u></u>	<u><u>(32,833)</u></u>

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

20. 貸款及其他賬項

20. Advances and other accounts

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
個人貸款	Personal loans and advances	433,495	414,356
公司貸款	Corporate loans and advances	1,069,553	981,067
客戶貸款	Advances to customers	1,503,048	1,395,423
減：減值準備	Less: Impairment allowances		
- 第一階段	- Stage 1	(5,390)	(4,563)
- 第二階段	- Stage 2	(325)	(297)
- 第三階段	- Stage 3	(2,341)	(2,175)
		1,494,992	1,388,388
貿易票據	Trade bills	13,267	20,727
減：減值準備	Less: Impairment allowances		
- 第一階段	- Stage 1	(1)	(1)
- 第二階段	- Stage 2	-	-
- 第三階段	- Stage 3	-	-
		13,266	20,726
銀行及其他金融機構貸款	Advances to banks and other financial institutions	1,403	3,387
減：減值準備	Less: Impairment allowances		
- 第一階段	- Stage 1	(1)	-
- 第二階段	- Stage 2	-	-
- 第三階段	- Stage 3	-	-
		1,402	3,387
		1,509,660	1,412,501

於 2020 年 6 月 30 日，客戶貸款包括應計利息港幣 22.77 億元（2019 年 12 月 31 日：港幣 27.56 億元）。

As at 30 June 2020, advances to customers included accrued interest of HK\$2,277 million (31 December 2019: HK\$2,756 million).

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

21. 證券投資

21. Investment in securities

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
以公平值變化計入其他全面 收益之證券投資	Investment in securities at fair value through other comprehensive income		
- 庫券	- Treasury bills	243,715	234,284
- 存款證	- Certificates of deposit	47,496	51,167
- 其他債務證券	- Other debt securities	393,131	382,206
		684,342	667,657
- 股份證券	- Equity securities	3,718	3,288
		688,060	670,945
以攤餘成本計量之證券投資	Investment in securities at amortised cost		
- 存款證	- Certificates of deposit	906	1,508
- 其他債務證券	- Other debt securities	62,459	66,902
		63,365	68,410
- 減值準備	- Impairment allowances		
第一階段	Stage 1	(11)	(20)
第二階段	Stage 2	-	-
第三階段	Stage 3	-	-
		63,354	68,390
		751,414	739,335

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

21. 證券投資 (續)

21. Investment in securities (continued)

證券投資按上市地之分類如下：

Investment in securities is analysed by place of listing as follows:

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
以公平值變化計入其他全面 收益之證券投資	Investment in securities at fair value through other comprehensive income		
債務證券及存款證	Debt securities and certificates of deposit		
- 於香港上市	- Listed in Hong Kong	77,328	65,315
- 於香港以外上市	- Listed outside Hong Kong	195,055	178,740
- 非上市	- Unlisted	411,959	423,602
		684,342	667,657
股份證券	Equity securities		
- 於香港上市	- Listed in Hong Kong	595	550
- 於香港以外上市	- Listed outside Hong Kong	1,001	584
- 非上市	- Unlisted	2,122	2,154
		3,718	3,288
		688,060	670,945
以攤餘成本計量之證券投資	Investment in securities at amortised cost		
債務證券及存款證	Debt securities and certificates of deposit		
- 於香港上市	- Listed in Hong Kong	1,251	1,227
- 於香港以外上市	- Listed outside Hong Kong	39,740	41,441
- 非上市	- Unlisted	22,363	25,722
		63,354	68,390
		751,414	739,335
以攤餘成本計量之上市證券 市值	Market value of listed securities at amortised cost	42,005	43,207

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

21. 證券投資 (續)

21. Investment in securities (continued)

證券投資按發行機構之分類如下：

Investment in securities is analysed by type of issuer as follows:

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
官方實體	Sovereigns	353,527	356,432
公營單位	Public sector entities	42,027	46,790
銀行及其他金融機構	Banks and other financial institutions	205,031	196,167
公司企業	Corporate entities	150,829	139,946
		751,414	739,335

22. 投資物業

22. Investment properties

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 1 月 1 日	At 1 January	20,428	19,988
增置	Additions	4	35
公平值 (虧損) / 收益	Fair value (losses)/gains	(515)	288
重新分類 (轉至) / 轉自 物業、器材及設備 (附 註 23)	Reclassification (to)/from properties, plant and equipment (Note 23)	(28)	117
於期 / 年末	At period/year end	19,889	20,428

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

23. 物業、器材及設備

23. Properties, plant and equipment

		房產 Premises	設備、固定設施 及裝備 Equipment, fixtures and fittings	使用權資產 Right-of-use assets	總計 Total
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
於 2020 年 1 月 1 日之 賬面淨值	Net book value at 1 January 2020	46,024	3,259	1,890	51,173
增置	Additions	8	421	217	646
處置	Disposals	-	(8)	-	(8)
重估	Revaluation	(540)	-	-	(540)
本期折舊 (附註 12)	Depreciation for the period (Note 12)	(587)	(542)	(370)	(1,499)
重新分類轉自投資物業 (附註 22)	Reclassification from investment properties (Note 22)	28	-	-	28
匯兌差額	Exchange difference	(4)	(7)	(9)	(20)
於 2020 年 6 月 30 日之 賬面淨值	Net book value at 30 June 2020	44,929	3,123	1,728	49,780
於 2020 年 6 月 30 日 成本值或估值	At 30 June 2020 Cost or valuation	44,929	11,356	2,678	58,963
累計折舊及減值	Accumulated depreciation and impairment	-	(8,233)	(950)	(9,183)
於 2020 年 6 月 30 日之 賬面淨值	Net book value at 30 June 2020	44,929	3,123	1,728	49,780
上述資產之成本值或估值 分析如下：	The analysis of cost or valuation of the above assets is as follows:				
於 2020 年 6 月 30 日	At 30 June 2020				
按成本值	At cost	-	11,356	2,678	14,034
按估值	At valuation	44,929	-	-	44,929
		44,929	11,356	2,678	58,963

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

23. 物業、器材及設備
(續)

23. Properties, plant and equipment (continued)

		房產 Premises	設備、固定設施 及裝備 Equipment, fixtures and fittings	使用權資產 Right-of-use assets	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2019 年 1 月 1 日之 賬面淨值	Net book value at 1 January 2019	46,086	2,985	1,700	50,771
增置	Additions	147	1,271	861	2,279
處置	Disposals	-	(8)	-	(8)
重估	Revaluation	1,060	-	-	1,060
年度折舊	Depreciation for the year	(1,153)	(993)	(677)	(2,823)
重新分類轉至投資物業 (附註 22)	Reclassification to investment properties (Note 22)	(117)	-	-	(117)
匯兌差額	Exchange difference	1	4	6	11
於 2019 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2019	46,024	3,259	1,890	51,173
於 2019 年 12 月 31 日 成本值或估值	At 31 December 2019 Cost or valuation	46,024	11,313	2,567	59,904
累計折舊及減值	Accumulated depreciation and impairment	-	(8,054)	(677)	(8,731)
於 2019 年 12 月 31 日之 賬面淨值	Net book value at 31 December 2019	46,024	3,259	1,890	51,173
上述資產之成本值或估值 分析如下：	The analysis of cost or valuation of the above assets is as follows:				
於 2019 年 12 月 31 日	At 31 December 2019				
按成本值	At cost	-	11,313	2,567	13,880
按估值	At valuation	46,024	-	-	46,024
		46,024	11,313	2,567	59,904

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

24. 其他資產

24. Other assets

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
收回資產	Repossessed assets	18	7
貴金屬	Precious metals	7,642	9,261
應收賬項及預付費用	Accounts receivable and prepayments	66,255	32,817
		73,915	42,085

**25. 以公平值變化計入損
益之金融負債**

25. Financial liabilities at fair value through profit or loss

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
交易性負債	Trading liabilities		
- 外匯基金票據及債券 短盤	- Short positions in Exchange Fund Bills and Notes	10,658	19,206
- 其他	- Others	200	-
		10,858	19,206

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

26. 客戶存款

26. Deposits from customers

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
即期存款及往來存款	Demand deposits and current accounts		
- 公司	- Corporate	223,119	141,107
- 個人	- Personal	76,211	68,367
		<u>299,330</u>	<u>209,474</u>
儲蓄存款	Savings deposits		
- 公司	- Corporate	447,650	401,525
- 個人	- Personal	549,082	499,106
		<u>996,732</u>	<u>900,631</u>
定期、短期及通知存款	Time, call and notice deposits		
- 公司	- Corporate	498,003	518,816
- 個人	- Personal	353,789	385,171
		<u>851,792</u>	<u>903,987</u>
		<u><u>2,147,854</u></u>	<u><u>2,014,092</u></u>

27. 已發行債務證券及存款證

27. Debt securities and certificates of deposit in issue

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
以攤餘成本計量	At amortised cost		
- 存款證	- Certificates of deposit	-	116
		<u>-</u>	<u>116</u>

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

28. 其他賬項及準備

28. Other accounts and provisions

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
其他應付賬項	Other accounts payable	95,555	64,558
租賃負債	Lease liabilities	1,683	1,810
貸款承諾及財務擔保合同 減值準備	Impairment allowances on loan commitments and financial guarantee contracts		
- 第一階段	- Stage 1	477	535
- 第二階段	- Stage 2	22	22
- 第三階段	- Stage 3	19	20
		97,756	66,945

29. 遞延稅項

29. Deferred taxation

遞延稅項是根據香港會計準則第12號「所得稅」計算，就資產負債之稅務基礎與其在本中期財務資料內賬面值兩者之暫時性差額及未使用稅項抵免作提撥。

Deferred tax is recognised in respect of the temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in this interim financial information and unused tax credits in accordance with HKAS 12 "Income Taxes".

資產負債表內之遞延稅項（資產）／負債主要組合，以及其在2020年上半年及截至2019年12月31日止年度之變動如下：

The major components of deferred tax (assets)/liabilities recorded in the balance sheet, and the movements during the first half of 2020 and the year ended 31 December 2019 are as follows:

		於 2020 年 6 月 30 日 At 30 June 2020					
		加速折舊 免稅額 Accelerated tax depreciation	物業重估 Property revaluation	虧損 Losses	減值準備 Impairment allowances	其他 Others	總計 Total
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
於 2020 年 1 月 1 日	At 1 January 2020	752	6,944	-	(803)	(581)	6,312
(貸記)／借記收益 表 (附註 15)	(Credited)/charged to income statement (Note 15)	(5)	(55)	(8)	(190)	40	(218)
(貸記)／借記其他 全面收益	(Credited)/charged to other comprehensive income	-	(109)	-	-	242	133
因贖回界定為以公 平值變化計入損 益之金融負債之 轉撥	Release upon redemption of financial liabilities designated at fair value through profit or loss	-	-	-	-	6	6
匯兌差額	Exchange difference	-	-	-	-	1	1
於 2020 年 6 月 30 日	At 30 June 2020	747	6,780	(8)	(993)	(292)	6,234

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

29. 遞延稅項 (續)

29. Deferred taxation (continued)

於 2019 年 12 月 31 日
At 31 December 2019

		加速折舊 免稅額 Accelerated tax depreciation	物業重估 Property revaluation	虧損 Losses	減值準備 Impairment allowances	其他 Others	總計 Total
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
於 2019 年 1 月 1 日	At 1 January 2019	703	6,940	-	(723)	(1,287)	5,633
借記 / (貸記) 收益 表	Charged/(credited) to income statement	49	(126)	-	(80)	11	(146)
借記其他全面收益	Charged to other comprehensive income	-	130	-	-	695	825
於 2019 年 12 月 31 日	At 31 December 2019	752	6,944	-	(803)	(581)	6,312

當有法定權利可將現有稅項資產與現有稅項負債抵銷，而遞延稅項涉及同一財政機關，則可將個別法人的遞延稅項資產與遞延稅項負債互相抵銷。下列在資產負債表內列賬之金額，已計入適當抵銷：

Deferred tax assets and liabilities are offset on an individual entity basis when there is a legal right to set off current tax assets against current tax liabilities and when the deferred taxation relates to the same authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheet:

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
遞延稅項資產	Deferred tax assets	(63)	(63)
遞延稅項負債	Deferred tax liabilities	6,297	6,375
		6,234	6,312

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

29. 遞延稅項 (續)

29. Deferred taxation (continued)

	於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
遞延稅項資產(超過 12 個月後收回)	(69)	(43)
遞延稅項負債(超過 12 個月後支付)	6,580	6,914
	6,511	6,871

於 2020 年 6 月 30 日，本集團無未確認遞延稅項資產之稅務虧損(2019 年 12 月 31 日：本集團未確認遞延稅項資產之稅務虧損為港幣 0.09 億元)。按照不同國家/地區的現行稅例，本集團的有關金額無作廢期限。

As at 30 June 2020, the Group has no unrecognised deferred tax assets in respect of tax losses (31 December 2019: the Group has not recognised deferred tax assets in respect of tax losses amounting to HK\$9 million). All of the amount for the Group has no expiry date under the current tax legislation in different countries/regions.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

30. 後償負債

30. Subordinated liabilities

	於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
後償票據		
- 界定為以公平值變化計入損益	-	12,954
	<u>-</u>	<u>12,954</u>

本金總額 16.23 億美元的上市後償票據，利息每半年支付一次，年利率 5.55%，已於 2020 年 2 月全數償還。按監管要求可作為二級資本票據之後償負債金額，於附註 3.4(B)中列示。2019 年 12 月 31 日界定為以公平值變化計入損益之後償票據的賬面值比本集團於到期日約定支付予持有人之金額多港幣 0.41 億元。

Listed subordinated notes with aggregate principal amount of USD1,623 million, interest rate at 5.55% per annum payable semi-annually, has been fully repaid in February 2020. Amounts qualified as Tier 2 capital instruments for regulatory purposes are shown in Note 3.4(B). The carrying amount of subordinated notes designated at fair value through profit or loss as at 31 December 2019 was more than the amount that the Group would be contractually required to pay at maturity to the holders by HK\$41 million.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

31. 股本

31. Share capital

	於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
已發行及繳足： 43,042,840,858 股普通股	43,043	43,043
Issued and fully paid: 43,042,840,858 ordinary shares	43,043	43,043

32. 本銀行其他股權工具

32. Other equity instruments of the Bank

	於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
永續非累積次級額外一級 資本票據	23,476	23,476
Undated non-cumulative subordinated Additional Tier 1 capital securities	23,476	23,476

於 2018 年 9 月，中銀香港發行 30.00 億美元的永續非累積次級額外一級資本票據。該資本票據為永續票據，不設固定贖回日，在首五年內不可贖回。其初期票息為每年 5.90%，每半年支付一次，中銀香港有獨有酌情權決定是否取消支付票息。2020 年上半年支付其他股權工具持有者股息為港幣 6.89 億元。

In September 2018, BOCHK issued USD3,000 million undated non-cumulative subordinated Additional Tier 1 capital securities. The capital securities are perpetual securities in respect of which there is no fixed redemption date and are not callable within the first 5 years. They have an initial rate of distribution of 5.90% per annum payable semi-annually which may be cancelled at the sole discretion of BOCHK. Dividend paid to other equity instrument holders in the first half of 2020 amounted to HK\$689 million.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

33. 簡要綜合現金流量表附註 33. Notes to condensed consolidated cash flow statement

(a) 經營溢利與除稅前經營現金之流入／(流出)對賬

(a) Reconciliation of operating profit to operating cash inflow/(outflow) before taxation

		半年結算至 2020年 6月30日 Half-year ended 30 June 2020 港幣百萬元 HK\$'m	半年結算至 2019年 6月30日 Half-year ended 30 June 2019 港幣百萬元 HK\$'m
經營溢利	Operating profit	19,309	20,196
折舊	Depreciation	1,499	1,373
減值準備淨撥備	Net charge of impairment allowances	1,343	791
折現減值準備回撥	Unwind of discount on impairment allowances	(4)	-
已撤銷之貸款(扣除收回款額)	Advances written off net of recoveries	(229)	(106)
租賃負債之利息支出	Interest expense on lease liabilities	28	26
後償負債之變動	Change in subordinated liabilities	-	227
原到期日超過3個月之在銀行及其他金融機構之結餘及定期存放之變動	Change in balances and placements with banks and other financial institutions with original maturity over three months	(6,858)	(11,380)
以公平值變化計入損益之金融資產之變動	Change in financial assets at fair value through profit or loss	16,916	(5,604)
衍生金融工具之變動	Change in derivative financial instruments	7,021	8,428
貸款及其他賬項之變動	Change in advances and other accounts	(98,181)	(87,901)
證券投資之變動	Change in investment in securities	6,533	(182,595)
其他資產之變動	Change in other assets	(31,841)	(12,070)
銀行及其他金融機構之存款及結餘之變動	Change in deposits and balances from banks and other financial institutions	2,574	(133,559)
以公平值變化計入損益之金融負債之變動	Change in financial liabilities at fair value through profit or loss	(8,348)	3,540
客戶存款之變動	Change in deposits from customers	133,762	126,593
已發行債務證券及存款證之變動	Change in debt securities and certificates of deposit in issue	(116)	(8,661)
其他賬項及準備之變動	Change in other accounts and provisions	30,997	3,365
匯率變動之影響	Effect of changes in exchange rates	2,797	(3,620)
除稅前經營現金之流入／(流出)	Operating cash inflow/(outflow) before taxation	77,202	(280,957)
經營業務之現金流量中包括	Cash flows from operating activities included		
- 已收利息	- interest received	29,321	32,271
- 已付利息	- interest paid	11,470	12,689
- 已收股息	- dividend received	39	27

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

33. 簡要綜合現金流量表附註 (續) **33. Notes to condensed consolidated cash flow statement (continued)**

(b) 現金及等同現金項目結存分析

(b) Analysis of the balances of cash and cash equivalents

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 6 月 30 日 At 30 June 2019
		港幣百萬元 HK\$m	港幣百萬元 HK\$m
庫存現金及原到期日 在 3 個月內之在銀行 及其他金融機構之結餘 及定期存放	Cash and balances and placements with banks and other financial institutions with original maturity within three months	358,443	319,937
原到期日在 3 個月內之 庫券、存款證及其他 債務工具	Treasury bills, certificates of deposit and other debt instruments with original maturity within three months		
- 以公平值變化計 入損益之金融 資產	- financial assets at fair value through profit or loss	8,248	3,307
- 證券投資	- investment in securities	19,287	17,578
		385,978	340,822

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

34. 或然負債及承擔

34. Contingent liabilities and commitments

或然負債及承擔乃參照有關資本充足比率之金管局報表的填報指示而編製，其每項重要類別之合約數額及總信貸風險加權數額概述如下：

The following is a summary of the contractual amounts of each significant class of contingent liability and commitment and the aggregate credit risk-weighted amount and is prepared with reference to the completion instructions for the HKMA return of capital adequacy ratio.

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
直接信貸替代項目	Direct credit substitutes	3,856	5,455
與交易有關之或然負債	Transaction-related contingencies	30,392	29,080
與貿易有關之或然負債	Trade-related contingencies	25,899	27,865
不需事先通知的無條件 撤銷之承諾	Commitments that are unconditionally cancellable without prior notice	490,084	449,306
其他承擔，原到期日為	Other commitments with an original maturity of		
- 1 年或以下	- up to one year	14,269	13,772
- 1 年以上	- over one year	153,841	160,575
		718,341	686,053
信貸風險加權數額	Credit risk-weighted amount	69,684	76,911

信貸風險加權數額是根據《銀行業(資本)規則》計算。此數額取決於交易對手之情況及各類合約之期限特性。

The credit risk-weighted amount is calculated in accordance with the Banking (Capital) Rules. The amount is dependent upon the status of the counterparty and the maturity characteristics of each type of contract.

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

35. 資本承擔

35. Capital commitments

本集團未於本中期財務資料中撥備之資本承擔金額如下：

The Group has the following outstanding capital commitments not provided for in this interim financial information:

		於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
已批准及簽約但未撥備	Authorised and contracted for but not provided for	172	188
已批准但未簽約	Authorised but not contracted for	232	72
		404	260

以上資本承擔大部分為將購入之電腦硬件及軟件，以及本集團之樓宇裝修工程之承擔。

The above capital commitments mainly relate to commitments to purchase computer equipment and software, and to renovate the Group's premises.

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

36. 經營租賃承擔

36. Operating lease commitments

作為出租人

As lessor

根據不可撤銷之經營租賃合約，下列為本集團與租客簽訂合約之未來有關租賃之最低應收租金：

The Group has contracted with tenants for the following future minimum lease receivables under non-cancellable operating leases:

	於 2020 年 6 月 30 日 At 30 June 2020	於 2019 年 12 月 31 日 At 31 December 2019
	港幣百萬元 HK\$m	港幣百萬元 HK\$m
物業及設備		
- 不超過 1 年	537	561
- 1 至 2 年	354	394
- 2 至 3 年	143	191
- 3 至 4 年	21	33
- 4 至 5 年	9	1
- 5 年後	6	-
	1,070	1,180

本集團以經營租賃形式租出投資物業；租賃年期通常由 1 年至 3 年。租約條款一般要求租客提交保證金。於續租約時，因應租務市場之狀況而調整租金。

The Group leases its investment properties under operating lease arrangements, with leases typically for a period from one to three years. The terms of the leases generally require the tenants to pay security deposits and provide for rent adjustments according to the prevailing market conditions upon the lease renewal.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

37. 分類報告

37. Segmental reporting

本集團主要按業務分類對業務進行管理，而集團的收入、稅前利潤和資產，超過90%來自香港。現時集團業務共分為三個業務分類，它們分別是個人銀行業務、企業銀行業務和財資業務。業務線的分類是基於不同客戶層及產品種類，這與集團推行的RPC（客戶關係、產品及渠道）管理模型是一致的。

個人銀行和企業銀行業務線均會提供全面的銀行服務，包括各類存款、透支、貸款、信用卡、與貿易相關的產品及其他信貸服務、投資及保險產品、外幣業務及衍生產品。個人銀行業務線主要是服務個人及小企客戶，而企業銀行業務線主要是服務公司客戶。至於財資業務線，除了自營買賣外，還負責管理集團的流動資金、利率和外匯敞口。「其他」這一欄，主要包括本集團持有房地產、投資物業、股權投資、若干聯營公司與合資企業權益及東南亞機構業務。

業務線的資產、負債、收入、支出、經營成果及資本性支出是基於集團會計政策進行計量。分類資料包括直接屬於該業務線的績效以及可以合理攤分至該業務線的績效。跨業務線資金的定價，按集團內部資金轉移價格機制釐定，主要是以市場利率為基準，並考慮有關產品的特性。

本集團的主要收入來源為利息收入，並且高層管理人員主要按淨利息收入來管理業務，因此所有業務分類的利息收入及支出以淨額列示。

The Group manages the business mainly from a business segment perspective and over 90% of the Group's revenues, profits before tax and assets are derived from Hong Kong. Currently, three operating segments are identified: Personal Banking, Corporate Banking and Treasury. The classification of the Group's operating segments is based on customer segment and product type, which is aligned with the RPC (relationship, product and channel) management model of the Group.

Both Personal Banking and Corporate Banking provide general banking services including various deposit products, overdrafts, loans, credit cards, trade related products and other credit facilities, investment and insurance products, and foreign currency and derivative products. Personal Banking mainly serves retail customers and small enterprises, while Corporate Banking mainly deals with corporate customers. Treasury manages the funding and liquidity, and the interest rate and foreign exchange positions of the Group in addition to proprietary trades. "Others" mainly represents the Group's holdings of premises, investment properties, equity investments, certain interests in associates and joint ventures and the businesses of the Southeast Asian entities.

Measurement of segment assets, liabilities, income, expenses, results and capital expenditure is based on the Group's accounting policies. The segment information includes items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Inter-segment funding is charged according to the internal funds transfer pricing mechanism of the Group, which is primarily based on market rates with the consideration of specific features of the product.

As the Group derives a majority of revenue from interest and the senior management relies primarily on net interest income in managing the business, interest income and expense for all reportable segments are presented on a net basis.

中期財務資料附註 Notes to the Interim Financial Information (continued)
(續)

37. 分類報告 (續) 37. Segmental reporting (continued)

		個人銀行 Personal Banking	企業銀行 Corporate Banking	財資業務 Treasury	其他 Others	小計 Subtotal	合併抵銷 Eliminations	綜合 Consolidated
		港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m	港幣百萬元 HK\$'m
半年結算至 2020年6月30日	Half-year ended 30 June 2020							
淨利息收入/(支出)	Net interest income/(expense)							
- 外來	- External	373	8,371	7,205	979	16,928	-	16,928
- 跨業務	- Inter-segment	5,375	(1,763)	(3,045)	(567)	-	-	-
		5,748	6,608	4,160	412	16,928	-	16,928
淨服務費及佣金收入	Net fee and commission income	3,339	1,960	18	517	5,834	(127)	5,707
淨交易性收益	Net trading gain	465	721	918	219	2,323	-	2,323
其他以公平價值變化計入損 益之金融工具淨收益/ (虧損)	Net gain/(loss) on other financial instruments at fair value through profit or loss	-	-	156	(3)	153	-	153
其他金融資產之淨收益	Net gain on other financial assets	-	10	2,496	-	2,506	-	2,506
其他經營收入	Other operating income	16	4	21	1,010	1,051	(685)	366
提取減值準備前之淨經營 收入	Net operating income before impairment allowances	9,568	9,303	7,769	2,155	28,795	(812)	27,983
減值準備淨發備	Net charge of impairment allowances	(630)	(561)	(84)	(68)	(1,343)	-	(1,343)
淨經營收入	Net operating income	8,938	8,742	7,685	2,087	27,452	(812)	26,640
經營支出	Operating expenses	(4,609)	(1,584)	(516)	(1,434)	(8,143)	812	(7,331)
經營溢利	Operating profit	4,329	7,158	7,169	653	19,309	-	19,309
投資物業處置/公平值 調整之淨虧損	Net loss from disposal of/fair value adjustments on investment properties	-	-	-	(515)	(515)	-	(515)
處置/重估物業、器材及 設備之淨虧損	Net loss from disposal/ revaluation of properties, plant and equipment	(2)	-	-	(1)	(3)	-	(3)
應佔聯營公司及合資企業 之稅後溢利扣減虧損	Share of profits less losses after tax of associates and joint ventures	25	-	-	-	25	-	25
除稅前溢利	Profit before taxation	4,352	7,158	7,169	137	18,816	-	18,816
於2020年6月30日	At 30 June 2020							
資產	ASSETS							
分部資產	Segment assets	460,942	1,025,662	1,445,953	160,176	3,092,733	(27,663)	3,065,070
聯營公司及合資企業 權益	Interests in associates and joint ventures	584	-	-	60	644	-	644
		461,526	1,025,662	1,445,953	160,236	3,093,377	(27,663)	3,065,714
負債	LIABILITIES							
分部負債	Segment liabilities	1,115,488	1,004,391	565,555	109,820	2,795,254	(27,663)	2,767,591
半年結算至 2020年6月30日	Half-year ended 30 June 2020							
其他資料	Other information							
資本性支出	Capital expenditure	3	1	-	646	650	-	650
折舊	Depreciation	651	137	51	672	1,511	(12)	1,499
證券攤銷	Amortisation of securities	-	-	112	30	142	-	142

中期財務資料附註 Notes to the Interim Financial Information (continued)
(續)

37. 分類報告 (續) 37. Segmental reporting (continued)

		個人銀行	企業銀行	財資業務	其他	小計	合併抵銷	綜合
		Personal Banking	Corporate Banking	Treasury	Others	Subtotal	Eliminations	Consolidated
		港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元	港幣百萬元
		HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m	HK\$m
半年結算至	Half-year ended							
2019年6月30日	30 June 2019							
淨利息收入/(支出)	Net interest income/(expense)							
- 外來	- External	4	7,572	9,547	1,199	18,322	-	18,322
- 跨業務	- Inter-segment	6,881	(234)	(5,943)	(704)	-	-	-
		6,885	7,338	3,604	495	18,322	-	18,322
淨服務費及佣金收入	Net fee and commission income	3,620	2,247	157	576	6,600	(133)	6,467
淨交易性收益	Net trading gain	386	713	980	162	2,241	-	2,241
其他以公平值變化計入損益之金融工具淨(虧損)/收益	Net (loss)/gain on other financial instruments at fair value through profit or loss	(1)	-	125	1	125	-	125
其他金融資產之淨(虧損)/收益	Net (loss)/gain on other financial assets	-	(2)	729	-	727	-	727
其他經營收入	Other operating income	28	-	8	1,014	1,050	(668)	382
提取減值準備前之淨經營收入	Net operating income before impairment allowances	10,918	10,296	5,603	2,248	29,065	(801)	28,264
減值準備淨(撥備)/撥回	Net (charge)/reversal of impairment allowances	(88)	(675)	(44)	16	(791)	-	(791)
淨經營收入	Net operating income	10,830	9,621	5,559	2,264	28,274	(801)	27,473
經營支出	Operating expenses	(4,430)	(1,556)	(523)	(1,569)	(8,078)	801	(7,277)
經營溢利	Operating profit	6,400	8,065	5,036	695	20,196	-	20,196
投資物業處置/公平值調整之淨收益	Net gain from disposal of/fair value adjustments on investment properties	-	-	-	663	663	-	663
處置/重估物業、器材及設備之淨收益	Net gain from disposal/ revaluation of properties, plant and equipment	-	-	-	1	1	-	1
應佔聯營公司及合資企業之稅後溢利扣減虧損	Share of profits less losses after tax of associates and joint ventures	54	-	-	(1)	53	-	53
除稅前溢利	Profit before taxation	6,454	8,065	5,036	1,358	20,913	-	20,913
於2019年12月31日	At 31 December 2019							
資產	ASSETS							
分部資產	Segment assets	442,694	947,164	1,353,860	152,718	2,896,436	(22,501)	2,873,935
聯營公司及合資企業權益	Interests in associates and joint ventures	559	-	-	60	619	-	619
		443,253	947,164	1,353,860	152,778	2,897,055	(22,501)	2,874,554
負債	LIABILITIES							
分部負債	Segment liabilities	1,079,821	907,381	521,156	106,067	2,614,425	(22,501)	2,591,924
半年結算至	Half-year ended							
2019年6月30日	30 June 2019							
其他資料	Other information							
資本性支出	Capital expenditure	35	1	-	1,139	1,175	-	1,175
折舊	Depreciation	561	110	49	653	1,373	-	1,373
證券攤銷	Amortisation of securities	-	-	925	(34)	891	-	891

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

38. 已抵押資產

於2020年6月30日，本集團之負債港幣89.15億元(2019年12月31日：港幣158.62億元)是以存放於中央保管系統以便利結算之資產作抵押。此外，本集團通過售後回購協議的債務證券抵押之負債為港幣751.90億元(2019年12月31日：港幣605.62億元)。本集團為擔保此等負債而質押之資產金額為港幣851.46億元(2019年12月31日：港幣766.56億元)，並主要於「以公平值變化計入損益之金融資產」及「證券投資」內列賬。

38. Assets pledged as security

As at 30 June 2020, the liabilities of the Group amounting to HK\$8,915 million (31 December 2019: HK\$15,862 million) were secured by assets deposited with central depositories to facilitate settlement operations. In addition, the liabilities of the Group amounting to HK\$75,190 million (31 December 2019: HK\$60,562 million) were secured by debt securities related to sale and repurchase arrangements. The amount of assets pledged by the Group to secure these liabilities was HK\$85,146 million (31 December 2019: HK\$76,656 million) mainly included in "Financial assets at fair value through profit or loss" and "Investment in securities".

39. 主要之有關連人士交易

中華人民共和國國務院通過中國投資有限責任公司(「中投」)、其全資附屬公司中央匯金投資有限責任公司(「匯金」)及匯金擁有控制權益之中國銀行，對本集團實行控制。

(a) 與母公司及母公司控制之其他公司進行的交易

母公司的基本資料：

本集團受中國銀行控制。匯金是中國銀行之控股公司，亦是中投的全資附屬公司，而中投是從事外匯資金投資管理業務的國有獨資公司。

匯金於某些內地實體均擁有控制權益。

39. Significant related party transactions

The Group is subject to the control of the State Council of the PRC Government through China Investment Corporation ("CIC"), its wholly-owned subsidiary Central Huijin Investment Ltd. ("Central Huijin"), and BOC in which Central Huijin has controlling equity interests.

(a) Transactions with the parent companies and the other companies controlled by the parent companies

General information of the parent companies:

The Group is controlled by BOC. Central Huijin is the controlling entity of BOC, and it is a wholly-owned subsidiary of CIC which is a wholly state-owned company engaging in foreign currency investment management.

Central Huijin has controlling equity interests in certain other entities in the PRC.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

39. 主要之有關連人士交易 (續)

39. Significant related party transactions (continued)

(a) 與母公司及母公司控制之其他公司進行的交易 (續)

(a) Transactions with the parent companies and the other companies controlled by the parent companies (continued)

本集團在正常業務中與此等實體進行銀行業務交易，包括貸款、證券投資及貨幣市場交易。

The Group enters into banking transactions with these entities in the normal course of business which include loans, investment securities and money market transactions.

大部分與中國銀行進行的交易源自貨幣市場活動。於 2020 年 6 月 30 日，本集團相關應收及應付中國銀行款項總額分別為港幣 857.44 億元 (2019 年 12 月 31 日：港幣 980.43 億元) 及港幣 637.11 億元 (2019 年 12 月 31 日：港幣 569.95 億元)。2020 年上半年與中國銀行釐做此類業務過程中產生的收入及支出總額分別為港幣 4.93 億元 (2019 年上半年：港幣 11.60 億元) 及港幣 1.19 億元 (2019 年上半年：港幣 3.47 億元)。

The majority of transactions with BOC arise from money market activities. As at 30 June 2020, the related aggregate amounts due from and to BOC of the Group were HK\$85,744 million (31 December 2019: HK\$98,043 million) and HK\$63,711 million (31 December 2019: HK\$56,995 million) respectively. The aggregate amounts of income and expenses of the Group arising from these transactions with BOC for the first half of 2020 were HK\$493 million (first half of 2019: HK\$1,160 million) and HK\$119 million (first half of 2019: HK\$347 million) respectively.

與中國銀行控制之其他公司並無重大交易。

Transactions with other companies controlled by BOC are not considered material.

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

39. 主要之有關連人士交易 (續)

39. Significant related party transactions (continued)

(b) 與政府機構、代理機構、附屬機構及其他國有控制實體的交易

(b) Transactions with government authorities, agencies, affiliates and other state controlled entities

中華人民共和國國務院通過中投及匯金對本集團實施控制，而中華人民共和國國務院亦通過政府機構、代理機構、附屬機構及其他國有控制實體直接或間接控制大量其他實體。本集團按一般商業條款與政府機構、代理機構、附屬機構及其他國有控制實體進行常規銀行業務交易。

The Group is subject to the control of the State Council of the PRC Government through CIC and Central Huijin, which also directly or indirectly controls a significant number of entities through its government authorities, agencies, affiliates and other state controlled entities. The Group enters into banking transactions with government authorities, agencies, affiliates and other state controlled entities in the normal course of business at commercial terms.

這些交易包括但不局限於下列各項：

These transactions include, but are not limited to, the following:

- 借貸、提供授信及擔保和接受存款；
- 銀行同業之存放及結餘；
- 出售、購買、包銷及贖回由其他國有控制實體所發行之債券；
- 提供外匯、匯款及相關投資服務；
- 提供信託業務；及
- 購買公共事業、交通工具、電信及郵政服務。

- lending, provision of credits and guarantees, and deposit taking;
- inter-bank balance taking and placing;
- sales, purchases, underwriting and redemption of bonds issued by other state controlled entities;
- rendering of foreign exchange, remittance and investment related services;
- provision of fiduciary activities; and
- purchase of utilities, transport, telecommunication and postage services.

中期財務資料附註 **Notes to the Interim Financial Information (continued)**
(續)

39. 主要之有關連人士交易 (續) **39. Significant related party transactions (continued)**

(c) 與聯營公司、合資企業及其他有關連人士在正常業務範圍內進行之交易摘要

與本集團之聯營公司、合資企業及其他有關連人士達成之有關連人士交易所產生之總收入／支出及結餘概述如下：

(c) Summary of transactions entered into during the ordinary course of business with associates, joint ventures and other related parties

The aggregate income/expenses and balances arising from related party transactions with associates, joint ventures and other related parties of the Group are summarised as follows:

	半年結算至 2020年6月30日 Half-year ended 30 June 2020 港幣百萬元 HK\$'m	半年結算至 2019年6月30日 Half-year ended 30 June 2019 港幣百萬元 HK\$'m
收益表項目	Income statement items	
聯營公司及合資企業	Associates and joint ventures	
- 利息支出	-	2
- 服務費及佣金支出	-	4
- 其他經營支出	40	41
其他有關連人士	Other related parties	
- 服務費及佣金收入	6	5
	6	5
	於2020年6月30日 At 30 June 2020 港幣百萬元 HK\$'m	於2019年12月31日 At 31 December 2019 港幣百萬元 HK\$'m
資產負債表項目	Balance sheet item	
聯營公司及合資企業	Associates and joint ventures	
- 客戶存款	139	-
- 其他賬項及準備	-	1
	-	1

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

39. 主要之有關連人士交易 (續) 39. Significant related party transactions (continued)

(d) 主要高層人員

主要高層人員是指某些能直接或間接擁有權力及責任來計劃、指導及掌管集團業務之人士，包括董事及高層管理人員。本集團在正常業務中會接受主要高層人員存款及向其提供貸款及信貸融資。於期內及往期，本集團並沒有與本銀行及其控股公司之主要高層人員或其有關連人士進行重大交易。

主要高層人員之薪酬如下：

薪酬及其他短期員工福利

(d) Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, including directors and senior management. The Group accepts deposits from and grants loans and credit facilities to key management personnel in the ordinary course of business. During both the current and prior periods, no material transaction was conducted with key management personnel of the Bank and its holding companies, as well as parties related to them.

The compensation of key management personnel is detailed as follows:

	半年結算至 2020年 6月30日 Half-year ended 30 June 2020 港幣百萬元 HK\$m	半年結算至 2019年 6月30日 Half-year ended 30 June 2019 港幣百萬元 HK\$m
薪酬及其他短期員工福利	20	18

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

40. 國際債權

40. International claims

以下分析乃參照有關國際銀行業統計之金管局報表的填報指示而編製。國際債權按照交易對手所在地計入風險轉移後以交易對手之最終風險承擔的地域分佈，其總和包括所有貨幣之跨地域債權及本地之外幣債權。若債權之擔保人所在地與交易對手所在地不同，則風險將轉移至擔保人之所在地。若債權屬銀行之海外分行，其風險將會轉移至該銀行之總行所在地。

The below analysis is prepared with reference to the completion instructions for the HKMA return of international banking statistics. International claims are exposures to counterparties on which the ultimate risk lies based on the locations of the counterparties after taking into account the transfer of risk, and represent the sum of cross-border claims in all currencies and local claims in foreign currencies. For a claim guaranteed by a party situated in a location different from the counterparty, the risk will be transferred to the location of the guarantor. For a claim on an overseas branch of a bank whose head office is located in another location, the risk will be transferred to the location where its head office is located.

本集團的個別國家／地區其已計及風險轉移後佔國際債權總額 10%或以上之債權如下：

Claims on individual countries/regions, after risk transfer, amounting to 10% or more of the aggregate international claims of the Group are shown as follows:

		於 2020 年 6 月 30 日 At 30 June 2020				
		非銀行私人機構 Non-bank private sector				總計 Total
		銀行 Banks	官方機構 Official sector	非銀行 金融機構 Non-bank financial institutions	非金融 私人機構 Non-financial private sector	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
中國內地	Chinese Mainland	288,316	118,146	13,458	135,422	555,342
香港	Hong Kong	9,717	82	39,331	392,422	441,552
美國	United States	4,763	93,700	23,136	18,160	139,759

		於 2019 年 12 月 31 日 At 31 December 2019				
		非銀行私人機構 Non-bank private sector				總計 Total
		銀行 Banks	官方機構 Official sector	非銀行 金融機構 Non-bank financial institutions	非金融 私人機構 Non-financial private sector	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m
中國內地	Chinese Mainland	284,001	108,716	14,599	136,156	543,472
香港	Hong Kong	6,718	96	36,143	352,962	395,919
美國	United States	11,718	106,473	22,721	17,426	158,338

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

41. 非銀行的內地風險承擔

41. Non-bank Mainland exposures

對非銀行交易對手的內地相關風險承擔之分析乃參照有關內地業務之金管局報表的填報指示所列之機構類別及直接風險類別分類。此報表僅計及中銀香港的香港辦事處之內地風險承擔。

The analysis of non-bank Mainland exposures is based on the categories of non-bank counterparties and the types of direct exposures with reference to the completion instructions for the HKMA return of Mainland activities, which includes the Mainland exposures extended by BOCHK's Hong Kong office only.

		於 2020 年 6 月 30 日 At 30 June 2020			
	金管局 報表項目 Items in the HKMA return	資產負債 表內的 風險承擔 On-balance sheet exposure 港幣百萬元 HK\$m	資產負債 表外的 風險承擔 Off-balance sheet exposure 港幣百萬元 HK\$m	總風險承擔 Total exposure 港幣百萬元 HK\$m	
中央政府、中央政府持有的機構、其附屬公司及合資企業	Central government, central government-owned entities and their subsidiaries and joint ventures	1	351,918	34,077	385,995
地方政府、地方政府持有的機構、其附屬公司及合資企業	Local governments, local government-owned entities and their subsidiaries and joint ventures	2	66,085	10,225	76,310
中國籍境內居民或其他在境內註冊的機構、其附屬公司及合資企業	PRC nationals residing in Mainland or other entities incorporated in Mainland and their subsidiaries and joint ventures	3	109,558	22,585	132,143
不包括在上述第一項中央政府內的其他機構	Other entities of central government not reported in item 1 above	4	32,198	4,777	36,975
不包括在上述第二項地方政府內的其他機構	Other entities of local governments not reported in item 2 above	5	578	-	578
中國籍境外居民或在境外註冊的機構，其用於境內的信貸	PRC nationals residing outside Mainland or entities incorporated outside Mainland where the credit is granted for use in Mainland	6	89,016	7,940	96,956
其他交易對手而其風險承擔被視為非銀行的內地風險承擔	Other counterparties where the exposures are considered to be non-bank Mainland exposures	7	1,811	-	1,811
總計	Total	8	<u>651,164</u>	<u>79,604</u>	<u>730,768</u>
扣減準備金後的資產總額	Total assets after provision	9	<u>2,994,168</u>		
資產負債表內的風險承擔佔資產總額百分比	On-balance sheet exposures as percentage of total assets	10	<u>21.75%</u>		

中期財務資料附註 (續) Notes to the Interim Financial Information (continued)

41. 非銀行的內地風險承擔 (續) 41. Non-bank Mainland exposures (continued)

		於 2019 年 12 月 31 日 At 31 December 2019			
		資產負債 表內的 風險承擔 On-balance sheet exposure	資產負債 表外的 風險承擔 Off-balance sheet exposure	總風險承擔 Total exposure	
		港幣百萬元 HK\$m	港幣百萬元 HK\$m	港幣百萬元 HK\$m	
金管局 報表項目 Items in the HKMA return					
中央政府、中央政府持有的 機構、其附屬公司及合資 企業	Central government, central government-owned entities and their subsidiaries and joint ventures	1	310,795	43,519	354,314
地方政府、地方政府持有的 機構、其附屬公司及合資 企業	Local governments, local government-owned entities and their subsidiaries and joint ventures	2	65,697	13,247	78,944
中國籍境內居民或其他在境 內註冊的機構、其附屬公 司及合資企業	PRC nationals residing in Mainland or other entities incorporated in Mainland and their subsidiaries and joint ventures	3	102,300	21,580	123,880
不包括在上述第一項中央政 府內的其他機構	Other entities of central government not reported in item 1 above	4	32,086	3,735	35,821
不包括在上述第二項地方政 府內的其他機構	Other entities of local governments not reported in item 2 above	5	500	2	502
中國籍境外居民或在境外註 冊的機構，其用於境內的 信貸	PRC nationals residing outside Mainland or entities incorporated outside Mainland where the credit is granted for use in Mainland	6	80,635	13,988	94,623
其他交易對手而其風險承擔 被視為非銀行的內地風險 承擔	Other counterparties where the exposures are considered to be non-bank Mainland exposures	7	1,770	-	1,770
總計	Total	8	593,783	96,071	689,854
扣減準備金後的資產總額	Total assets after provision	9	2,800,915		
資產負債表內的風險承擔 佔資產總額百分比	On-balance sheet exposures as percentage of total assets	10	21.20%		

中期財務資料附註
(續)

Notes to the Interim Financial Information (continued)

42. 符合香港會計準則第
34 號

42. Compliance with HKAS 34

截至 2020 年上半年止的未經審計中期財務資料符合香港會計師公會所頒佈之香港會計準則第 34 號「中期財務報告」之要求。

The unaudited interim financial information for the first half of 2020 complies with HKAS 34 “Interim Financial Reporting” issued by the HKICPA.

43. 法定賬目

43. Statutory accounts

被納入本中期業績報告作為比較信息的截至 2019 年 12 月 31 日止年度有關的財務信息，雖然來源於本銀行的法定年度綜合財務報表，但不構成本銀行的法定年度綜合財務報表。按照香港《公司條例》第 436 條要求需就這些法定財務報表披露更多有關的信息如下：

The financial information relating to the year ended 31 December 2019 that is included in this Interim Report as comparative information does not constitute the Bank's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance is as follows:

本銀行已按照香港《公司條例》第 662(3)條及附表 6 第 3 部的要求送呈截至 2019 年 12 月 31 日止年度的財務報表予公司註冊處。

The Bank has delivered the financial statements for the year ended 31 December 2019 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance.

本銀行的核數師已就該財務報表發出核數師報告。該核數師報告為無保留意見的核數師報告；其中不包含核數師在不發出保留意見的情況下以強調的方式提請使用者注意的任何事項；亦不包含根據香港《公司條例》第 406(2)、407(2)或(3)條作出的聲明。

The Bank's auditor has reported on those financial statements. The auditor's report was unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance.

其他資料

1. 符合《銀行業(披露)規則》

本未經審計之中期業績報告符合《銀行業條例》項下《銀行業(披露)規則》之有關要求。

Additional Information

1. Compliance with the Banking (Disclosure) Rules

This unaudited Interim Report complies with the applicable requirements set out in the Banking (Disclosure) Rules under the Banking Ordinance.

2. 監管披露

監管披露連同本中期業績報告內之披露，已載列金管局頒佈之《銀行業(披露)規則》及《金融機構(處置機制)(吸收虧損能力規定—銀行界)規則》要求的所有披露。監管披露可於中銀香港網頁 www.bochk.com 中「監管披露」一節瀏覽。

2. Regulatory Disclosures

The Regulatory Disclosures, together with the disclosures in this Interim Report, contained all the disclosures required by the Banking (Disclosure) Rules and Financial Institutions (Resolution) (Loss-absorbing Capacity Requirements – Banking Sector) Rules issued by the HKMA. The Regulatory Disclosures is available under the section “Regulatory Disclosures” on BOCHK’s website at www.bochk.com.

獨立審閱報告



安永會計師事務所
香港中環添美道1號
中信大廈22樓

致中國銀行(香港)有限公司董事會
(於香港註冊成立的有限公司)

引言


本核數師(以下簡稱「我們」)已審閱列載於第 55 至 170 頁的中期財務資料,此中期財務資料包括中國銀行(香港)有限公司(「貴銀行」)及其子公司(「貴集團」)於 2020 年 6 月 30 日的簡要綜合資產負債表與截至該日止 6 個月期間的相關簡要綜合收益表、簡要綜合全面收益表、簡要綜合權益變動表和簡要綜合現金流量表,以及其他附註解釋。貴銀行董事須負責根據香港會計師公會頒佈的香港會計準則第 34 號「中期財務報告」(「香港會計準則第 34 號」)編製及列報該等中期財務資料。我們的責任是根據我們的審閱對該等中期財務資料作出結論。我們按照委聘之條款僅向整體董事會報告,除此之外本報告別無其他目的。我們不會就本報告的內容向任何其他人士負上或承擔任何責任。

審閱範圍

我們已根據香港會計師公會頒佈的香港審閱準則第 2410 號「由實體的獨立核數師執行中期財務資料審閱」進行審閱。審閱中期財務資料包括主要向負責財務和會計事務的人員作出查詢,及應用分析性和其他審閱程序。審閱的範圍遠較根據香港審計準則進行審計的範圍為小,故不能令我們可保證我們將知悉在審計中可能被發現的所有重大事項。因此,我們不會發表審計意見。

結論

按照我們的審閱,我們並無發現任何事項,令我們相信中期財務資料在各重大方面未有根據香港會計準則第34號編製。



安永會計師事務所
執業會計師
香港, 2020 年 8 月 30 日

Independent Review Report



Ernst & Young
22/F, CITIC Tower
1 Tim Mei Avenue
Central, Hong Kong

To the board of directors of Bank of China (Hong Kong) Limited
(Incorporated in Hong Kong with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 55 to 170, which comprises the condensed consolidated balance sheet of Bank of China (Hong Kong) Limited (the “Bank”) and its subsidiaries (the “Group”) as at 30 June 2020 and the related condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated cash flow statement for the six-month period then ended, and other explanatory notes. The directors of the Bank are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“HKAS 34”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). Our responsibility is to express a conclusion on this interim financial information based on our review. Our report is made solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of review

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with HKAS 34.



Ernst & Young
Certified Public Accountants
Hong Kong, 30 August 2020

附錄

Appendix

本銀行之附屬公司

Subsidiaries of the Bank

附屬公司的具體情況如下：

The particulars of subsidiaries are as follows:

名稱 Name	註冊／營業 地點及日期 Place and date of incorporation/ operation	已發行股本 Issued share capital	持有權益 Interest held	主要業務 Principal activities
中銀信用卡（國際）有限公司 BOC Credit Card (International) Limited	香港 1980年9月9日 Hong Kong 9 September 1980	565,000,000 港元 HK\$565,000,000	100.00%	信用卡服務 Credit card services
中銀集團信託人有限公司 BOC Group Trustee Company Limited	香港 1997年12月1日 Hong Kong 1 December 1997	200,000,000 港元 HK\$200,000,000	66.00%	信託服務 Trustee services
中銀國際英國保誠信託有限公司 BOCI-Prudential Trustee Limited	香港 1999年10月11日 Hong Kong 11 October 1999	300,000,000 港元 HK\$300,000,000	42.24%*	信託服務 Trustee services
馬來西亞中國銀行 Bank of China (Malaysia) Berhad	馬來西亞 2000年4月14日 Malaysia 14 April 2000	760,518,480 馬來西亞林吉特 RM760,518,480	100.00%	銀行業務 Banking business
China Bridge (Malaysia) Sdn. Bhd.	馬來西亞 2009年4月24日 Malaysia 24 April 2009	1,000,000 馬來西亞林吉特 RM1,000,000	100.00%	受理中國簽證 China visa application
中國銀行（泰國）股份有限公司 Bank of China (Thai) Public Company Limited	泰國 2014年4月1日 Thailand 1 April 2014	10,000,000,000 泰銖 Baht10,000,000,000	100.00%	銀行業務 Banking business
中國銀行（香港）代理人有限公司 Bank of China (Hong Kong) Nominees Limited	香港 1985年10月1日 Hong Kong 1 October 1985	2 港元 HK\$2	100.00%	代理人服務 Nominee services
中國銀行（香港）信託有限公司 Bank of China (Hong Kong) Trustees Limited	香港 1987年11月6日 Hong Kong 6 November 1987	3,000,000 港元 HK\$3,000,000	100.00%	信託及代理服務 Trustee and agency services
中銀金融服務（南寧）有限公司** BOC Financial Services (Nanning) Company Limited**	中國 2019年2月19日 PRC 19 February 2019	註冊資本 60,000,000 港元 Registered capital HK\$60,000,000	100.00%	金融營運服務 Financial operational services
中銀香港金融產品（開曼）有限公司 BOCHK Financial Products (Cayman) Ltd.	開曼群島 2006年11月10日 Cayman Islands 10 November 2006	50,000 美元 US\$50,000	100.00%	發行結構性票據 Issuing structured notes
中銀信息科技（深圳）有限公司** BOCHK Information Technology (Shenzhen) Co., Ltd.**	中國 1990年4月16日 PRC 16 April 1990	註冊資本 70,000,000 港元 Registered capital HK\$70,000,000	100.00%	物業持有及 物業投資 Property holding and investment

附錄 (續)

Appendix (continued)

本銀行之附屬公司 (續) Subsidiaries of the Bank (continued)

名稱 Name	註冊/營業 地點及日期 Place and date of incorporation/ operation	已發行股本 Issued share capital	持有權益 Interest held	主要業務 Principal activities
中銀信息技術服務(深圳)有限公司** BOCHK Information Technology Services (Shenzhen) Co., Ltd.**	中國 1993年5月26日 PRC 26 May 1993	註冊資本 40,000,000 港元 Registered capital HK\$40,000,000	100.00%	信息技術服務 Information technology services
浙興(代理人)有限公司 Che Hsing (Nominees) Limited	香港 1980年4月23日 Hong Kong 23 April 1980	10,000 港元 HK\$10,000	100.00%	代理人服務 Nominee services
寶生金融投資服務有限公司 Po Sang Financial Investment Services Company Limited	香港 1980年9月23日 Hong Kong 23 September 1980	335,000,000 港元 HK\$335,000,000	100.00%	黃金買賣及 投資控股 Gold trading and investment holding
寶生證券及期貨有限公司 Po Sang Securities and Futures Limited	香港 1993年10月19日 Hong Kong 19 October 1993	335,000,000 港元 HK\$335,000,000	100.00%	證券及期貨業務 Securities and futures brokerage
新僑企業有限公司 Sin Chiao Enterprises Corporation, Limited	香港 1961年9月13日 Hong Kong 13 September 1961	3,000,000 港元 HK\$3,000,000	100.00%	物業持有及 物業投資 Property holding and investment
新華信託有限公司 Sin Hua Trustee Limited	香港 1978年10月27日 Hong Kong 27 October 1978	3,000,000 港元 HK\$3,000,000	100.00%	信託服務 Trustee services
Billion Express Development Inc.	英屬維爾京群島 2014年2月7日 British Virgin Islands 7 February 2014	1 美元 US\$1	100.00%	投資控股 Investment holding
Billion Orient Holdings Ltd.	英屬維爾京群島 2014年2月3日 British Virgin Islands 3 February 2014	1 美元 US\$1	100.00%	投資控股 Investment holding
Elite Bond Investments Ltd.	英屬維爾京群島 2014年2月7日 British Virgin Islands 7 February 2014	1 美元 US\$1	100.00%	投資控股 Investment holding
Express Capital Enterprise Inc.	英屬維爾京群島 2014年2月3日 British Virgin Islands 3 February 2014	1 美元 US\$1	100.00%	投資控股 Investment holding
Express Charm Holdings Corp.	英屬維爾京群島 2014年2月7日 British Virgin Islands 7 February 2014	1 美元 US\$1	100.00%	投資控股 Investment holding

附錄 (續)

Appendix (continued)

本銀行之附屬公司 (續) Subsidiaries of the Bank (continued)

名稱 Name	註冊/營業 地點及日期 Place and date of incorporation/ operation	已發行股本 Issued share capital	持有權益 Interest held	主要業務 Principal activities
Express Shine Assets Holdings Corp.	英屬維爾京群島 2014年1月3日 British Virgin Islands 3 January 2014	1 美元 US\$1	100.00%	投資控股 Investment holding
Express Talent Investment Ltd.	英屬維爾京群島 2014年2月13日 British Virgin Islands 13 February 2014	1 美元 US\$1	100.00%	投資控股 Investment holding
Gold Medal Capital Inc.	英屬維爾京群島 2014年1月3日 British Virgin Islands 3 January 2014	1 美元 US\$1	100.00%	投資控股 Investment holding
Gold Tap Enterprises Inc.	英屬維爾京群島 2014年2月13日 British Virgin Islands 13 February 2014	1 美元 US\$1	100.00%	投資控股 Investment holding
Maxi Success Holdings Ltd.	英屬維爾京群島 2014年2月7日 British Virgin Islands 7 February 2014	1 美元 US\$1	100.00%	投資控股 Investment holding
Smart Linkage Holdings Inc.	英屬維爾京群島 2014年2月13日 British Virgin Islands 13 February 2014	1 美元 US\$1	100.00%	投資控股 Investment holding
Smart Union Capital Investments Ltd.	英屬維爾京群島 2014年1月3日 British Virgin Islands 3 January 2014	1 美元 US\$1	100.00%	投資控股 Investment holding
Success Trend Development Ltd.	英屬維爾京群島 2014年2月18日 British Virgin Islands 18 February 2014	1 美元 US\$1	100.00%	投資控股 Investment holding
Wise Key Enterprises Corp.	英屬維爾京群島 2014年2月18日 British Virgin Islands 18 February 2014	1 美元 US\$1	100.00%	投資控股 Investment holding

* 中銀國際英國保誠信託有限公司為本銀行屬下一家非全資附屬公司的附屬公司，憑藉本銀行對該公司的控制權，該公司被視為本銀行的附屬公司。

* BOCI-Prudential Trustee Limited is a subsidiary of a non-wholly-owned subsidiary of the Bank and, accordingly, is accounted for as a subsidiary by virtue of the Bank's control over it.

** 在中國註冊的有限責任公司。

** It is registered as limited liability company in the PRC.

新僑企業有限公司於2020年4月3日進入成員自動清盤程序。

Sin Chiao Enterprises Corporation, Limited has commenced members' voluntary winding up on 3 April 2020.

浙興(代理人)有限公司於2020年5月22日進入成員自動清盤程序。

Che Hsing (Nominees) Limited has commenced members' voluntary winding up on 22 May 2020.

釋義

在本中期業績報告中，除非文義另有所指，否則下列詞彙具有以下涵義：

詞彙	涵義
「中國銀行」	中國銀行股份有限公司，一家根據中國法例成立之商業銀行及股份制有限責任公司，其 H 股及 A 股股份分別於香港聯交所及上海證券交易所掛牌上市
「中銀香港（控股）」	中銀香港（控股）有限公司，根據香港法例註冊成立之公司
「中銀香港」或「本銀行」	中國銀行（香港）有限公司，根據香港法例註冊成立之公司，並為中銀香港（控股）有限公司之全資附屬公司
「中銀馬來西亞」	馬來西亞中國銀行，為中銀香港之全資附屬公司
「中銀泰國」	中國銀行（泰國）股份有限公司，為中銀香港之全資附屬公司
「董事會」	本銀行的董事會
「中投」	中國投資有限責任公司
「匯金」	中央匯金投資有限責任公司
「金管局」	香港金融管理局
「香港」	中華人民共和國香港特別行政區
「強積金」	強制性公積金
「標準普爾」	標準普爾評級服務
「聯交所」或「香港聯交所」	香港聯合交易所有限公司
「本集團」	本銀行及其附屬公司
「風險值」	風險持倉涉險值

Definitions

In this Interim Report, unless the context otherwise requires, the following terms shall have the meanings set out below:

Terms	Meanings
"ALCO"	the Asset and Liability Management Committee
"AT1"	Additional Tier 1
"BOC"	Bank of China Limited, a joint stock commercial bank with limited liability established under the laws of the PRC, the H shares and A shares of which are listed on the Hong Kong Stock Exchange and the Shanghai Stock Exchange respectively
"BOCHK" or "the Bank"	Bank of China (Hong Kong) Limited, a company incorporated under the laws of Hong Kong and a wholly-owned subsidiary of BOC Hong Kong (Holdings) Limited
"BOCI-Prudential Trustee"	BOCI-Prudential Trustee Limited, a company incorporated under the laws of Hong Kong, in which BOC Group Trustee Company Limited and Prudential Corporation Holdings Limited hold equity interests of 64% and 36% respectively
"BOC Malaysia"	Bank of China (Malaysia) Berhad, a wholly-owned subsidiary of BOCHK
"BOC Thailand"	Bank of China (Thai) Public Company Limited, a wholly-owned subsidiary of BOCHK
"Board" or "Board of Directors"	the Board of Directors of the Bank
"CE"	Chief Executive
"CET1"	Common Equity Tier 1
"CFO"	Chief Financial Officer
"CIC"	China Investment Corporation
"CRO"	Chief Risk Officer
"CVA"	Credit Valuation Adjustment
"Central Huijin"	Central Huijin Investment Ltd.
"DCE"	Deputy Chief Executive
"DVA"	Debit Valuation Adjustment
"ECL"	Expected Credit Loss
"EV"	Economic Value Sensitivity Ratio

Definitions (continued)

Terms	Meanings
"FCC"	the Financial Crime Compliance Department
"FIRB"	Foundation Internal Ratings-based
"FVOCI"	Fair value through other comprehensive income
"FVPL"	Fair value through profit or loss
"HKAS"	Hong Kong Accounting Standard
"HKFRS"	Hong Kong Financial Reporting Standard
"HKICPA"	Hong Kong Institute of Certified Public Accountants
"HKMA"	Hong Kong Monetary Authority
"Hong Kong" or "Hong Kong SAR"	Hong Kong Special Administrative Region of the PRC
"ICAAP"	Internal Capital Adequacy Assessment Process
"IMM"	Internal Models
"IT"	Information Technology
"LCO"	the Legal & Compliance and Operational Risk Management Department
"LCR"	Liquidity Coverage Ratio
"MC"	the Management Committee
"MCO"	Maximum Cumulative Cash Outflow
"MPF"	Mandatory Provident Fund
"N/A"	Not applicable
"NII"	Net Interest Income Sensitivity Ratio
"NSFR"	Net Stable Funding Ratio

Definitions (continued)

Terms	Meanings
“OTC”	Over-the-counter
“PRC”	the People’s Republic of China
“PVBP”	Price Value of a Basis Point
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“RMC”	the Risk Committee
“RMD”	the Risk Management Department
“RWA”	Risk-weighted Assets
“SME”	Small and Medium-sized Enterprise
“STC”	Standardised (Credit Risk)
“STM”	Standardised (Market Risk)
“STO”	Standardised (Operational Risk)
“Standard & Poor’s”	Standard & Poor’s Ratings Services
“Stock Exchange” or “Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“the Group”	the Bank and its subsidiaries collectively referred as the Group
“US”	the United States of America
“VaR”	Value at Risk

